

**IN THE UNITED STATES DISTRICT COURT
FOR THE NORTHERN DISTRICT OF GEORGIA
ATLANTA DIVISION**

MAURICE B. WALTERS,)	
)	
Plaintiff,)	
)	
v.)	
)	Civ. A. No. 1:25-cv-01638-ELR
)	
CITY OF SUWANEE, BRANDON)	
WARREN, and LOWE’S HOME)	
CENTERS, LLC,)	
)	
Defendants.)	

**ATTACHMENT C TO INITIAL DISCLOSURES OF
DEFENDANTS CITY OF SUWANEE AND BRANDON WARREN**

A copy of the City of Suwanee’s applicable member coverage agreement with the Georgia Interlocal Risk Management Agency (GIRMA) is attached hereto.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

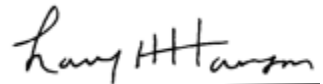
COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

MEMBER COVERAGE AGREEMENT

VARIOUS PROVISIONS IN THIS COVERAGE DOCUMENT RESTRICT COVERAGE. READ THE ENTIRE DOCUMENT CAREFULLY TO DETERMINE RIGHTS, DUTIES AND COVERAGE LIMITATIONS.

GIRMA provides coverage in consideration of the Named Member entity's payment of contribution for **GIRMA** membership, and in reliance upon the statements that have been made in the **GIRMA** application on file with **GIRMA**.



Larry Hanson

Secretary/Treasurer

Georgia Interlocal Risk Management Agency

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

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GENERAL COVERAGE DECLARATIONS

The **GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY (GIRMA)** is a risk sharing arrangement among Georgia Municipal Governments. GIRMA exists by authority of Official Code of Georgia Annotated 36-85-1 et seq.

THIS DOCUMENT IS NOT AN INSURANCE CONTRACT and, in accordance with the Constitution of the State of Georgia and the Official Code of Georgia Annotated 36-85-20 shall not waive the sovereign immunity of the Member.

AGREEMENT NO: SU3
NAMED MEMBER: City of Suwanee
ADDRESS: 330 Town Center Avenue
Suwanee, GA 30024

In consideration of the Contribution set out in Declarations IV and in reliance upon the statements in the Application referred to in Declarations V and any supplementary information pertaining thereto, which shall be deemed incorporated herein, being representations which, if inaccurate, may render this Coverage Agreement null and void and relieve GIRMA from all liability, GIRMA agrees to provide coverages as follows:

I. COVERAGE AGREEMENT PERIOD

FROM: 5/1/2023 at 12:01 a.m. Local Time at Named Member's address shown above.
TO: UNTIL EXPIRATION OR TERMINATION OF COVERAGE AGREEMENT BY EITHER PARTY

II. COVERAGE SUMMARY

LIMITS OF LIABILITY

		PER OCCURRENCE LIMIT
A. PROPERTY COVERAGE		
1. Blanket Buildings and Personal Property		\$31,222,188
NOTE: EXTENSIONS AND SUBLIMITS APPLY - SEE PROPERTY COVERAGE SECTION (p.17)		
2. Automobile Physical Damage and Mobile Equipment		Per Schedule on file with GIRMA
B. CASUALTY COVERAGE		
1. General Liability and Comprehensive Law Enforcement Liability		
PER OCCURRENCE LIMIT		\$1,000,000
PRODUCTS/COMPLETED OPERATIONS ANNUAL AGGREGATE LIMIT		\$5,000,000
FAILURE TO SUPPLY UTILITIES ANNUAL AGGREGATE LIMIT		\$5,000,000
2. Automobile Liability		
PER OCCURRENCE LIMIT		\$1,000,000
UNINSURED MOTORIST LIMIT		Rejected
3. Errors and Omissions Liability		
PER WRONGFUL ACT LIMIT		\$1,000,000
ANNUAL AGGREGATE LIMIT		\$5,000,000
4. Employee Benefits Liability		
PER OCCURRENCE LIMIT		\$1,000,000
ANNUAL AGGREGATE LIMIT		\$5,000,000
C. CRIME COVERAGE		PER OCCURRENCE LIMIT
1. Blanket Bond		\$500,000
2. Depositors Forgery		\$500,000
3. Money and Securities (Loss Inside/Outside the Premises)		\$500,000
D. INFORMATION PRIVACY AND SECURITY (CYBER)		
COMBINED SINGLE LIMIT		\$250,000
ANNUAL AGGREGATE LIMIT		\$250,000

GENERAL COVERAGE DECLARATIONS

III. DEDUCTIBLES

No Deductible applies to this member's Coverage Agreement unless a deductible amount is shown to be applicable in the schedule below:

COVERAGE

A. PROPERTY COVERAGE

1. Buildings and Personal Property	\$2,500
2. Automobile Physical Damage	\$1,000
3. Equipment Breakdown	\$1,000

B. CASUALTY COVERAGE

1. General Liability	\$0
2. Law Enforcement Liability	\$10,000
3. Automobile Liability	\$0
4. Uninsured Motorist	\$0
5. Errors & Omissions Liability	\$5,000
6. Employee Benefits Liability	\$0

C. CRIME COVERAGE	\$1,000
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D. INFORMATION PRIVACY AND SECURITY (CYBER)	\$10,000
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With respect to any loss involving more than one coverage, the deductible charged shall be the largest deductible. However, in situations where the deductible under the Property Coverage Section differs from the deductible under the Uninsured Motorist coverage of the Casualty Coverage Section, if Uninsured Motorist Coverage has been elected by the Named Member, and either coverage would afford coverage of the loss because the Named Member is not at fault, the lower of the two deductibles shall apply.

IV. CONTRIBUTION

As stated in the Contribution Worksheet

The contribution indicated in the worksheet is subject to review by GIRMA at each Anniversary for the forthcoming period of coverage, based on current Underwriting information.

V. APPLICATION DATED

As stated on the Application

VI. NAMED MEMBER

The entity indicated on Page 1 of this Coverage Agreement that has entered into this contract with GIRMA.

VII. MEMBER

It is agreed that the unqualified word "Member" wherever used in this Coverage Agreement includes not only the Named Member but also:

- A. any person who is a member of the governing body of the Named Member while acting within the scope of their duties for or on behalf of the Named Member;
- B. any Member of the Authorities, Boards or Commissions appointed by the Named Member while acting within the scope of their duties as such, but only in respect to operations by or on behalf of the Named Member;
- C. any Director, Employee, Officer, Trustee or Volunteer, past or present, acting for and on behalf of the Named Member and under its direction and control or appointed by the Named Member while acting within the scope of their duties as such, and any person, organization, trustee or estate to whom the Named Member is obligated by virtue of written contract or agreement to provide coverage such as is offered by this Coverage Agreement but only in respect of operations by or on behalf of the Named Member;
- D. any Authority, Board, or Commission affiliated with the Named Member for which the Named Member exercises direction and control and identified by the Named Member at inception or renewal by schedule on file with GIRMA. For purposes of this subsection VII.D, "direction and control" shall exist when the following elements are all present:
 - 1. the power of the Named Member, or members of its governing body, to appoint and remove (including by failure to reappoint) a majority of the directors;
 - 2. provision of a significant portion of operational funding on an annual basis by the Named Member; and
 - 3. service by Named Member as custodian or trustee for all monies and property, or the power to disapprove any proposed issue of revenue bonds, notes or other obligations, of the Authority, Board, or Commission, if any.

No person or organization is covered with respect to the conduct of any partnership, joint authority, joint venture, multijurisdictional law enforcement or other organization or multijurisdictional penal institution that is not shown as a Named Member in the Declarations, except for the Named Member and its employees.

GENERAL COVERAGE DECLARATIONS

VIII. THIS COVERAGE AGREEMENT INCLUDES THESE ENDORSEMENTS AT INCEPETION DATE:

Inmate Medical Coverage Endorsement

Contingent Revenue Interruption Endorsement

Vacant Real Property Endorsement

Inflatable Amusement Device Endorsement (Rev 5/1/19)

Crisis Management Coverage Endorsement (Rev 5/1/19)

Social Engineering Fraud Endorsement (Rev 5/1/20)

Electronic Data Endorsement (Rev 5/1/20)

Terrorism and Sabotage Endorsement (Rev 5/1/21)

Schedule of Authorities, Boards, and Commissions (Rev 5/1/21)

Sovereign Immunity Preservation Endorsement (Rev 5/1/22)

Information Privacy and Security Liability and Expense Endorsement (Rev 5/1/22)

Endorsement to Limit Coverage For Claims Arising From Facts Before Inception

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

GENERAL COVERAGE EXCLUSIONS

I. GENERAL EXCLUSIONS APPLICABLE TO THE ENTIRE COVERAGE AGREEMENT

A. ASBESTOS

This Coverage Agreement does not cover any claim arising out of or in any way connected with any Asbestos Claim, the term "Asbestos Claim" defined as meaning any claim based upon or arising out of the manufacture, sale, distribution, handling, installation, repair, removal, disposal, storage, processing or use of any product containing asbestos in any form.

B. NUCLEAR INCIDENT

This Coverage Agreement does not cover any loss, damage, liability or expense arising out of any nuclear incident, accident, loss, occurrence, claim made or loss discovered; or as a result of the ownership management, manufacture, design, service, operation, storage, use, existence, handling, processing, sale, distribution, responsibility for, disposal of, or Entrustment to Others of nuclear materials, nuclear products or the by-products thereof. For the purposes of this exclusion, the term "Entrustment to Others" shall include, but not be limited to, involvement of parties other than the Named Member pursuant to contracts, licenses, leases, permits, franchises and consignments.

C. WAR CLAUSE

This Coverage Agreement does not cover any loss, damage, liability or expense arising out of War, whether or not declared, or any act or condition incident to War. The term "War" includes, but is not limited to, invasion, acts of foreign enemies, hostilities or warlike operations, civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military, or usurped power. The term "War" shall not include an act of terrorism. "Act of terrorism" shall mean any act that is certified by the Secretary of the Treasury—in concurrence with the Secretary of State, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States by coercion.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

II. GENERAL EXCLUSIONS APPLICABLE TO THE PROPERTY COVERAGE SECTIONS (pp16-30)

The Property Coverage Section does not apply to any claim for damages, whether direct or consequential, or for any cause of action which is covered under any other Section of this Coverage Agreement. In addition to the General Coverage Agreement Exclusions cited above, the Property Coverage Section does not provide coverage for:

- Rev 5/23
- Rev 5/21
- A. loss or damage caused by or resulting from moth, vermin (including but not limited to squirrels, raccoons, bats, rats, mice, and other rodents), termites or other insects; inherent vice, latent defect, wear, tear, gradual deterioration or depreciation; contamination, corrosion, rust, wet or dry rot, mold; fungus, mildew or yeast, including any spores, scents, toxins or by-products produced by or emanating from such mold, fungus, mildew or yeast; dampness of atmosphere, smog or extremes of temperature; or any loss or damage by settling, for any reason, including movement of any kind, shrinkage or expansion in building or foundation; unless such loss or damage is caused directly by fire or the combating thereof, or lightning, windstorm, hail, explosion, strike, riot or civil commotion, aircraft, vehicles, breakage of pipes or apparatus, sprinkler leakage, vandalism and malicious mischief, theft or attempted theft;
 - B. as respects property in the course of construction:
 - 1. loss or damage to property caused by or resulting from errors in design or testing of that property but not excluding resultant physical loss or damage to property covered hereunder other than the property lost or damaged by error in the design or testing of that property;
 - 2. the repair or replacement of faulty or defective workmanship, material or construction, but this exclusion shall not apply to physical damage to other property resulting from such faulty or defective workmanship or material;
 - 3. penalties for non-completion of or delay in completion of contract or non-compliance with contract conditions, nor for loss of use of occupancy howsoever caused;
 - C. loss resulting from delay or loss of markets, or loss of use except as covered by Business Interruption and Extra Expense as defined in Property Coverage Section III.A. (pp19-21) of this Coverage Agreement.
 - Rev 5/23
 - Rev 5/21
 - D. inventory shortage, mysterious disappearance or loss of or damage caused by or resulting from misappropriation, conversion, infidelity, dishonesty, fraudulent or criminal act, but this exclusion shall not apply to Automobiles and Mobile Equipment that are included on the Named Member's schedule on file with GIRMA ;
 - E. any increase of loss due to interference with rebuilding, repairing or replacing the property or with the resumption or continuation of business at the described premises caused by strikers or other persons;
 - F. loss or damage to personal property caused by processing, renovating, repairing or faulty workmanship thereon, or loss or damage to real property caused by faulty workmanship thereon, unless fire or explosion ensues, and then only for direct loss or damage caused by such ensuing fire or explosion;
 - G. loss or damage to personal property resulting from shrinkage, evaporation, loss of weight, leakage, depletion, erosion, marring, scratching, exposure to light, or change in color, texture or flavor, unless such loss or damage is caused directly by fire or the combating thereof, or lightning, windstorm, hail, explosion, strike, riot or civil commotion, aircraft, vehicles, breakage of pipes or apparatus, sprinkler leakage, vandalism and malicious mischief, theft or attempted theft;
 - H. loss or damage to real property resulting from cracking, bulging, expansion of pavements, foundations, walls, floors or ceilings, unless one or more of the building or structure's walls or roofs is physically broken and falls to the lower level; if however, direct loss by liquids or gases not otherwise excluded, or collapse results, then this Coverage Agreement shall cover only the resulting loss; extremes or changes of temperature (except to water piping or space heating equipment due to freezing) or changes in relative humidity, all whether atmospheric or not;
 - Rev 5/21
 - I. loss or damage to electrical or electronic appliances, devices, system or network fixtures or wiring or device, appliance, system or network utilizing radio, cellular, microwave or satellite technology caused by artificially generated electrical current, including arcing, electrical charge produced or conducted by a magnetic or electromagnetic field, pulse of electromagnetic energy or electromagnetic waves or energy unless fire or explosion ensues, and then only for the actual loss or damage caused by such ensuing fire or explosion;

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however, this exclusion shall not apply with respect to Electronic Data Processing System Equipment Coverage or Equipment Breakdown Coverage;

- J. any increase in loss due to the suspension, lapse or cancellation of any lease or license, contract or order;
- K. any earth movement (other than sinkhole collapse), such as an earthquake, landslide, mine subsidence or earth sinking, rising or shifting except to the extent of coverage provided for "Earthquake" as defined in Property Coverage Section II.C. (p18) under Property Coverage Section I.E1.b. (p18) of this Coverage Agreement; however, if loss or damage by fire or explosion results, GIRMA agrees to pay for that resulting loss or damage;
- L. any volcanic eruption, explosion or effusion; however, if loss or damage by fire, building glass breakage or volcanic action results, GIRMA agrees to pay for that resulting loss or damage;

Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:

- 1. airborne volcanic blast or airborne shock waves;
- 2. ash, dust or particulate matter; or
- 3. lava flow.

All volcanic eruptions that occur within any seventy-two (72) hour period will constitute a single Occurrence. Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss or damage to the individual property shown in the schedule on file with GIRMA;

Rev 5/21

- M. any flood, surface water, waves, tides, tidal waves, overflow of any body of water or their spray, all whether driven by wind or not (including storm surge and tsunami); mudslide or mudflow; waterborne material carried or otherwise moved by any of the foregoing or material carried or moved by mudslide or mudflow; water that backs up from a sewer or drain; or water under the ground surface pressing on, or flowing or seeping through: (a) foundations, walls, floors or paved surfaces, (b) basements, whether paved or not, or (c) doors, windows or other openings except to the extent of coverage provided for "Flood" as defined in Property Coverage Section II. D. (p18) under Property Coverage Section I. E.1.a. (p18) of this Coverage Agreement; however, if loss or damage by fire, explosion or sprinkler leakage results, GIRMA agrees to pay for that resulting loss or damage; this exclusion applies regardless of whether any excluded peril is caused by an act or nature or is otherwise caused—for example, due to the whole or partial failure of a dam, levee, seawall or other boundary or containment system.
- N. any of the following property:
 - 1. accounts, bills, currency, deeds, evidences of debt or title, money, notes or securities;
 - 2. aircraft;
 - 3. animals;
 - 4. jewelry or furs;
 - 5. land;
 - 6. precious metals or precious stones;
 - 7. property in transit;
 - 8. retaining walls not constituting part of a building when loss is caused by ice or water pressure;
 - 9. standing timber, shrubs, plants or growing crops;
 - 10. underground mines and mining property located below the surface of the ground or any property undergoing installation breakdown tests;
 - 11. watercraft over twenty-six (26) feet in length.

Rev 5/21

- O. any expenses incurred in connection with testing for, monitoring, evaluating, cleaning up, removing, containing, treating, detoxifying or neutralizing Pollutants. "Pollutants" includes, but is not limited to, any light, noise, solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkali, chemicals and Waste. "Waste" includes, but is not limited to, materials to be recycled, reconditioned or reclaimed.

Rev 5/21

- P. loss or damage caused by or resulting from any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

III. GENERAL EXCLUSIONS APPLICABLE TO THE CASUALTY COVERAGE SECTIONS (pp 31-42)

The Casualty Coverage Section does not apply to any claim for damages, whether direct or consequential, or for any cause of action which is covered under any other Section of this Coverage Agreement. In addition to the General Coverage Agreement Exclusions cited above, the Casualty Coverage Section does not provide coverage for:

Rev 5/21

- A. any claim arising out of or in any way connected with any liability arising out of the ownership, maintenance, loading or unloading, use or operation of any aircraft, airfields, runways, hangars, buildings or other properties in connection with aviation activities. This exclusion applies even if the claim against any Member alleges negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others engaged in such activities.

However, in consideration of the paid member contribution, it is understood and agreed that coverage granted under Casualty Coverage Section I (General Liability and Law Enforcement Liability) applies to aircraft used by the Named Member, always provided that the Named Member:

1. has no interest in the aircraft as owner in whole or in part;
2. exercises no part in the servicing or maintenance of the aircraft;
3. exercises no part in the appointment or provision of personnel for the operation of the aircraft.

This coverage extension relating to aircraft used by the Named Member does not apply:

1. to liability arising out of any product manufactured, sold, handled or distributed by the Named Member;
2. to any aircraft having a seating capacity, including crew, in excess of eight (8) seats unless prior written approval is received by the Named Member from GIRMA;
3. to liability for loss of or damage to the aircraft or any consequential loss arising therefrom;
4. when the aircraft is used by the Named Member for hire or reward;

Rev 5/20

It is further understood and agreed that coverage granted under this Casualty Coverage Section I applies to Unmanned Aircraft System Activities (as defined in Casualty Coverage Section I.C.9) conducted in compliance with 14 C.F.R. Part 107.

- B. any claim, liability or expense arising out of or in any way connected with:
1. any actual, alleged or threatened discharge, dispersal, release or escape of Pollutants, whether or not such claim, liability or expense has occurred as the direct or as the indirect result of such discharge, dispersal, release or escape of Pollutants.
 2. any order, direction, suggestion or request by any governmental agency, court or other public authority that a Member test for, monitor, evaluate, clean-up, remove, contain, treat, detoxify or neutralize Pollutants. The term "Pollutants" includes, but is not limited to, any light, noise, solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkali, chemicals and Waste. The term "Waste" includes, but is not limited to, materials to be recycled, reconditioned or reclaimed.
- With respect to bodily injury or property damage arising out of heat, smoke or fumes from a hostile fire, this exclusion does not apply (as used in this exclusion, a hostile fire means one which becomes uncontrollable or breaks out from where it was intended to be).

This exclusion B. does not apply to:

1. Bodily Injury or Property Damage arising from heat, smoke or fumes from a hostile fire (for this purpose a "hostile fire" means one which becomes uncontrollable or breaks out from where it was intended to be);
2. Bodily Injury or Property Damage arising from;
 - a. fuel, lubricants, fluids or exhaust gases that have leaked from a Covered Automobile (as defined in Casualty Coverage Section II.D.2) if they are needed for or result from normal electrical hydraulic or mechanical function of an automobile and leak from the part of the automobile designed by its manufacturer to hold or dispose of them;
 - b. fluids or fuel that have leaked from a Covered Automobile after an accident; or
 - c. overturn or upset of a Covered Automobile;
3. Bodily Injury or Property Damage arising from the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of Mobile Equipment or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the Bodily Injury or Property Damage arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by the Member or a contractor or subcontractor.
4. Bodily Injury or Property Damage arising out of or in any way connected with the application of fungicides, herbicides or pesticides if these operations meet all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government which apply to those operations;

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- 5. Bodily injury or Property Damage arising out of or in any way connected with the Named Member's fire department while engaged in training burns, intentional demolition or burns for the purpose of limiting a fire, or while engaged in the discharge of Pollutants for the purpose of controlling a fire.
- 6. Bodily injury or Property Damage arising out of or in any way connected with the Named Member's fire department or hazardous response team while responding to any actual, alleged or threatened discharge, dispersal, release or escape of Pollutants caused by a third party unrelated to the Named Member.
- C. any claim arising out of or in any way connected with eminent domain, condemnation or inverse condemnation, condemnation or inverse condemnation proceedings, by whatever name called, whether such liability accrues directly against the Named Member or by virtue of any agreement entered into by or on behalf of the Named Member;
- D. any claim arising out of or in any way connected with any liability arising out of Hospital/Clinic Malpractice;
- E. any claim arising out of or in any way connected with any claim seeking relief in any form other than Money Damages including but not limited to equitable, declaratory, or extraordinary relief or redress;
- F. fines or penalties imposed by law;
- G. any claim arising out of or in any way connected with Personal Injury, Bodily Injury or Property Damage that was known to any Member before the inception of this Coverage Agreement, in the event that Prior Acts coverage is added to this Coverage Agreement by Extension.
- H. any matter that is uninsurable under governing law;
- I. any claim seeking the return or disgorgement of taxes, assessments, grants, penalties, fines, or fees.
- J. punitive or exemplary damages
- K. attorneys fees that are awarded independently and not as part of a covered claim for Money Damages.
- Rev 5/21 L. any claim arising out of or in any way connected with the actual or alleged presence or transmission of a communicable disease. This exclusion applies even if the claims against any Member allege negligence or other wrongdoing in the (1) supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease; (2) testing for a communicable disease; (3) failure to prevent the spread of the disease; or (4) failure to report the disease to authorities. Coverage shall be provided for cost of defense only subject to an Annual Aggregate Limit of Liability of \$100,000.
- Rev 5/21 M. any claim arising out of or in any way connected with:
 - 1. any access to or disclosure of any person's or organization's confidential or personal information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information or any other type of nonpublic information; or
 - 2. The loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit monitoring expenses, forensic expenses, public relations expenses or any other loss, cost or expense incurred by the Member or others arising out of that which is described in paragraph 1. or 2. above. As used in this exclusion, "electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.
- Rev 5/21 N. any claim arising out of or in any way connected with Sexual Misconduct. A Member will be covered, and GIRMA will provide the Member with a defense, in accordance with the terms, limitations and conditions of this Coverage Agreement, as to any claim arising out of any alleged or actual Sexual Misconduct until such time that a judgment or other final adjudication should establish, or it is otherwise determined by GIRMA, that such Member participated in, knowingly allowed, or directed the Sexual Misconduct.

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MEMBER COVERAGE AGREEMENT

GENERAL COVERAGE CONDITIONS**I. GENERAL CONDITIONS APPLICABLE TO THE ENTIRE COVERAGE AGREEMENT****A. ACTION AGAINST GIRMA**

No suit to recover on account of loss under this Coverage Agreement shall be brought until ninety (90) days after the proof of loss shall have been furnished, nor at all unless commenced within twenty-seven (27) months from the date upon which loss occurred. No legal action may be brought against GIRMA unless there has been full compliance with all of the terms and conditions of the Coverage Agreement. No action asserting liability of a Member may be brought against GIRMA until the amount of that liability has been determined by judgment of a court of competent jurisdiction or established under a settlement and release of liability signed by GIRMA, the Member and the claimant or the claimant's legal representative. GIRMA will not be liable for amounts that are not payable under the terms of this Coverage Agreement or that are in excess of the applicable limit of liability. In addition, no legal action may be brought against GIRMA to determine the liability of a Member.

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B. ASSIGNMENT

No assignment, by operation of law or otherwise, of GIRMA's rights, duties, powers and/or privileges under this Coverage Agreement shall be binding upon GIRMA.

C. ASSISTANCE AND COOPERATION

As a condition of coverage, all Members shall assist and cooperate with GIRMA and upon the request of GIRMA, or its authorized representatives, shall submit to examination and interrogation by a representative of GIRMA, under oath if requested, and shall attend hearings, depositions and trials and shall assist in effecting settlements, securing and giving evidence, obtaining the attendance of witnesses in the conduct of suits, and in the giving of a written statement or statements to GIRMA representatives and meeting with such representatives for the purposes of investigation or defense.

D. BANKRUPTCY AND INSOLVENCY

In the event of the bankruptcy or insolvency of the Named Member, GIRMA shall not be relieved of the payment of any claims hereunder because of such bankruptcy or insolvency.

E. TERMINATION

This Coverage Agreement may be terminated in accordance with Section 5.3 and 5.4 of the Intergovernmental Contract executed by the Named Member, the bylaws of GIRMA and the rules and regulations of the Georgia Insurance Department. If this Coverage Agreement is terminated by the Named Member prior to May 1 of any year, there may be a short rate penalty of 10% of the unearned contribution.

F. CHANGES

By acceptance of this Coverage Agreement the Member agrees that it embodies all Agreements existing between the Member and GIRMA or any of GIRMA's agents relating to this Coverage Agreement. None of the provisions, conditions or other terms of the Coverage Agreement shall be waived or altered except by written endorsement executed by GIRMA; nor shall notice to any GIRMA agent or knowledge possessed by any agent or by any other person be held to effect a waiver or change in any part of the Coverage Agreement.

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G. DEDUCTIBLE

The obligation of GIRMA to pay for covered loss, covered damages and defense costs on behalf of the Member shall apply only to the amount of covered loss, covered damages and defense costs in excess of the applicable deductible amount shown in Declarations III. The deductible amount so stated applies on a per Occurrence or Wrongful Act basis, as applicable. The terms of the Coverage Agreement, including those with respect to GIRMA's rights and duties for the defense of suits, apply irrespective of the application of the deductible amount. GIRMA may pay any part or all of the deductible amount to effect a settlement or defend any claim or suit, and upon notification of the action, the Named Member shall promptly reimburse GIRMA for such part of the deductible amount as has been paid by GIRMA. If a deductible amount is changed (e.g., upon May 1 renewal), the change will apply with respect to Occurrences and Wrongful Acts happening on or after the effective date of the change.

H. DUE DILIGENCE CLAUSE

The Named Member shall use due diligence and concur in doing all things reasonably practicable to avoid or diminish any loss of or damage to the property herein covered.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

I. FRAUDULENT CLAIMS

If the Named Member shall make any claim knowing the same to be false or fraudulent, as regards amount or otherwise, this Coverage Agreement shall become void and all claims hereunder shall be forfeited.

J. INSPECTIONS, AUDIT AND VERIFICATION OF VALUES

GIRMA or its duly authorized representatives shall be permitted at all reasonable times during continuance of this Coverage Agreement to inspect the premises used by the Named Member and to examine the Named Member's books or records so far as they relate to coverage afforded by this Coverage Agreement.

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K. LIBERALIZATION

If GIRMA adopts any revision that would broaden the coverage under this Coverage Agreement without requiring additional Contribution by the Named Member within 45 days prior to or during the Coverage Agreement Period, the broadened coverage will immediately apply to this Coverage Agreement.

L. MORTGAGE CLAUSE

The interest of any mortgagor on property covered hereunder is included as if a separate endorsement were attached hereto to the extent of the amount of mortgage as of the date of loss subject to the Limit of Liability set forth in this Coverage Agreement.

M. OTHER COVERAGE OR INSURANCE

If any other insurance, excess insurance, reinsurance or indemnity exists protecting against loss or loss expenses covered by this Coverage Agreement, the indemnity afforded by this Coverage Agreement shall apply in excess of such other insurance, excess insurance, reinsurance or indemnity unless such other insurance, excess insurance, reinsurance or indemnity shall specifically apply only in excess of this Coverage Agreement.

N. RECORDS

It is hereby understood and agreed that the records and books as kept by the Named Member shall be accessible to GIRMA in determining the amount of loss or damage covered hereunder.

O. SUBROGATION AND SALVAGE

The Named Member shall prosecute any and all claims the Named Member may have against any person, firm or corporation arising out of any loss, Occurrence, claim made or loss discovered resulting in any loss, and all recoveries therefrom shall be applied to reduce the loss to which this Coverage Agreement applies, after deducting from such recoveries the expenses incurred in effecting the same. Should the Named Member have such a claim against any person, firm or corporation that it fails or neglects to enforce within a reasonable time, GIRMA shall be subrogated to such claim and the Named Member shall execute any and all papers and documents necessary to vest full right, title and interest in said claim in GIRMA and GIRMA may prosecute the same in its own name or in the name of the Named Member. The Named Member shall cooperate to the fullest extent with GIRMA in the enforcement of any such claim. The net proceeds derived from any such claim shall first be used by GIRMA to reimburse the Named Member for any deductible charged and any excess shall be retained by GIRMA.

All salvages, recoveries or payments recovered or received subsequent to settlement of losses hereunder net of the costs and expenses or obtaining the same, shall be applied as if covered or received prior to the settlement, and all necessary adjustments made accordingly.

P. UNINTENTIONAL ERRORS AND OMISSIONS

It is agreed that failure of the Member to disclose all hazards existing as of the inception date of the Coverage Agreement shall not prejudice the Member with respect to the coverage afforded by this Coverage Agreement provided such failure or omission is not intentional.

Q. WAIVER OF SUBROGATION

This Coverage Agreement shall not be invalidated if the Named Member by written agreement has waived or shall waive its right of recovery from any party for loss or damage covered hereunder; provided that any such waiver is made prior to the Occurrence of said loss or damage.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

II. GENERAL CONDITIONS APPLICABLE TO THE PROPERTY COVERAGE SECTIONS (pp16-30)

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A. [Reserved.]

B. ARCHITECT'S AND ENGINEER'S FEES

This Coverage Agreement covers the additional assessment involving architect's and/or engineer's fees for consultations arising from losses resulting from a covered peril. Fees are limited to seven (7) percent of the replacement cost.

C. AUTOMATIC ACQUISITION CLAUSE

This coverage is automatically extended to cover additional property or interests of the Named Member, of the types covered by this Coverage Agreement, usual or incidental to the operations of the Named Member which are acquired or otherwise become at the risk during the period of this Coverage Agreement, within the territorial limits stated herein, subject to the values at that time not exceeding \$100,000.

In the event that the coverage being required for additional property or interests exceeds \$100,000, written details of said property or interests are to be provided to GIRMA for contribution consideration not later than ninety (90) days from the date the said additional property or interests became at the risk of the Named Member, this Coverage Agreement automatically providing coverage for such period of time.

D. JOINT LOSS CLAUSE

In the event of damage to or destruction of property at a location designated in this Coverage Agreement and also designated in a Boiler and Machinery policy not provided by GIRMA and there is a disagreement between GIRMA and the Boiler and Machinery insurer with respect to:

1. whether such damage or destruction was caused by a peril covered by this Coverage Agreement or by an accident covered by such Boiler and Machinery policy; or
2. the extent of the participation of this Coverage Agreement and of such Boiler and Machinery insurance in a loss which may be covered against, partially or wholly, by either or both Agreements.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

GIRMA shall pay to the Named Member the amount of the loss which is in disagreement, but in no event more than GIRMA would have paid if there had been no Boiler and Machinery insurance in effect, subject to the following conditions:

1. the amount of the loss which is in disagreement after making provisions for any undisputed claims payable under the said coverage descriptions and after the amount of the loss is agreed upon by GIRMA and the Boiler and Machinery insurer is limited to the minimum amount remaining payable under either the Boiler and Machinery or Fire Agreements;
2. the Boiler and Machinery insurer shall simultaneously pay GIRMA one-half (1/2) of said amount which is in disagreement;
3. the payments by GIRMA and other insurers hereunder and acceptance of the same by GIRMA signify the arrangement for GIRMA and other insurers to submit to and proceed with arbitration within ninety (90) days of such payments;
4. the arbitrators shall be three (3) in number, one of whom shall be appointed by the Boiler and Machinery insurer and one of whom shall be appointed by GIRMA and the third appointed by consent of the other two, and the decision by the arbitrators shall be binding on the parties and that judgment upon such award may be entered in any court of competent jurisdiction;
5. GIRMA and the Named Member agree to cooperate in connection with such arbitration but not intervene therein;
6. the provisions of this Coverage Agreement shall not apply unless such other Boiler and Machinery policy is similarly endorsed;
7. acceptance by GIRMA of sums paid pursuant to the provisions of this Coverage Agreement, including an arbitration award, shall not operate to alter, waive, surrender or in any way affect the right of GIRMA against any of the Agreements.

E. CIVIL AUTHORITY CLAUSE

Rev 5/21 Notwithstanding anything contained in this Coverage Agreement, property which is covered under this Coverage Agreement is also covered against the risk of damage to or destruction by civil authority due to a covered peril; provided that any such damage or destruction is neither caused by or contributed to by War as defined in General Coverage Exclusions I.C..

F. EXPENSE TO REDUCE OR PREVENT LOSS

Rev 5/21 The Named Member shall employ every reasonable means to protect any damaged property covered under this Coverage Agreement from further damage, including the prompt execution of temporary repairs where necessary for such protection and the separation of damaged from undamaged personal property. GIRMA shall be liable for reasonable expenses so incurred to minimize insured loss, but any payment under this provision shall not serve to increase the Limit of Liability that would otherwise apply at the time and place of loss, nor shall such expenses exceed the amount by which the loss is reduced.

G. MEMBER'S DUTIES WHEN A LOSS OCCURS

As a condition precedent to the obligations of GIRMA under this Coverage Agreement, upon knowledge of loss or of an Occurrence which may give rise to a claim hereunder, the Member shall:

1. give notice thereof as soon as practicable to GIRMA, and, if the loss is due to a violation of law, also to the police; and,
2. file detailed proof of loss, as requested, duly sworn to, with GIRMA promptly upon the expiration of the ninety (90) days after the discovery of loss.

Upon GIRMA's request, the Member shall submit to examination by GIRMA, subscribe the same, under oath if required, and produce for GIRMA's examination all pertinent records, all at such reasonable times and places as GIRMA shall designate, and shall cooperate with GIRMA in all matters pertaining to loss or claims with respect thereto. GIRMA shall, in addition to the applicable Limit of Liability, reimburse the Member for all reasonable expenses, other than loss of earnings, incurred at GIRMA's written request.

H. REMOVAL CLAUSE

This Coverage Agreement covers the expense and damage to property removed from the premises which results from said real property being endangered by the perils covered against.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

III. GENERAL CONDITIONS APPLICABLE TO THE CASUALTY COVERAGE SECTIONS (pp 31-42)

A. CROSS LIABILITY

In the event of liability being incurred by reason of injury suffered by any employee of one Named Member which does not arise out of the injured employee's employment, for which another Named Member is liable, then this Coverage Agreement shall indemnify the Named Member for such liability in the same manner as if separate Agreements had been issued to each Named Member.

In the event of liability being incurred by reason of Property Damage to property belonging to any Named Member for which another Named Member is liable, then this Coverage Agreement shall indemnify such Named Member in the same manner as if separate Agreements had been issued to each Named Member.

Nothing contained in this Condition shall operate:

1. to increase GIRMA's Limit of Liability;
2. to include coverage for a Named Member who sustains Property Damage as a consequence of its own employee's acts.

B. DEFENSE, JUDGMENT AND SETTLEMENT; NON-WAIVER AND STATEMENT OF COVERAGE

GIRMA shall have the right and duty to defend any suit against the Member claiming Money Damages for an Occurrence or Wrongful Act that occurs during the Coverage Agreement Period for which coverage is afforded under this Coverage Agreement, even if any of the allegations of the suit are groundless, false or fraudulent, and may make such investigation and settlement of any claim or suit as it deems expedient in its sole discretion. GIRMA shall have the right to select counsel; however, a Member may hire co-defense counsel, at Named Member's expense, to assist in the defense of claims, provided the attorney selected by GIRMA shall be lead counsel. GIRMA's duty to defend shall arise when the complaint or claim alleges facts which would obligate GIRMA to indemnify the Named Member if the alleged facts were proven. GIRMA will only be responsible for payment of that portion of a settlement or judgment which relates to claims for which coverage is afforded under the terms of this Coverage Agreement, provided, however, GIRMA shall not be obligated to pay any settlement or judgment or to defend any suit after the applicable Limit of Liability has been exhausted by payment of settlements or judgments.

If GIRMA advances defense costs under reservation of rights or nonwaiver agreement and is determined by final judgment to have been under no obligation to do so, GIRMA shall have the right to recover all such advance defense costs from the Member.

GIRMA has the right to investigate a claim, file an answer to a lawsuit or otherwise provide a defense on behalf of a person or entity who contends that there is coverage under this Coverage Agreement, but in conducting such investigation, filing an answer or providing a defense, GIRMA does not waive its right at any time to deny coverage under this Coverage Agreement based upon any defense it may have to coverage regardless of whether such defense is known or unknown. Accordingly, GIRMA at any time may deny that it is required to pay a judgment or may withdraw its defense of a lawsuit, notwithstanding that GIRMA may have filed an answer to a lawsuit or provided a defense to a person or entity who contends there is coverage under this Coverage Agreement.

GIRMA is not estopped to deny coverage under this Coverage Agreement unless and until a written request for a statement of coverage is provided to GIRMA and GIRMA responds in writing that it accepts coverage on behalf of a Member. If, however, a Member shall thereafter violate any of the terms and provisions of this Coverage Agreement, GIRMA shall not be estopped to deny coverage on the basis of such violation. In the event a request for a statement of coverage is provided to GIRMA and GIRMA responds in writing that coverage is not accepted under this Coverage Agreement, GIRMA may within a reasonable time seek declaratory judgment in a court of competent jurisdiction of the rights of the parties.

It is understood and agreed that an agent or employee of GIRMA does not have the right to waive any of the provisions of this Section. Furthermore, no person has the right to bind or accept coverage on behalf of GIRMA unless and until a written request for a statement of coverage is made to GIRMA and GIRMA accepts coverage in writing.

C. MEMBER DUTIES IN THE EVENT OF AN OCCURRENCE, WRONGFUL ACT, CLAIM, SUIT OR LOSS

As a condition precedent to the obligations of GIRMA under this Coverage Agreement:

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MEMBER COVERAGE AGREEMENT

1. the Member must see to it that GIRMA is notified as soon as practicable of an Occurrence, Wrongful Act, or any other happening or incident which may result in a loss or claim to which this Coverage Agreement applies. To the extent possible, notice should include:
 - a. how, when and where the occurrence, Wrongful Act, happening or incident took place and the names of any persons involved;
 - b. the names and addresses of any injured person and witnesses; and
 - c. the nature and location of any injury or damage.
2. if a claim is received by any Member, the Member must:
 - a. immediately record the specifics of the claim and the date received;
 - b. notify GIRMA as soon as practicable; and
 - c. see to it that GIRMA receives written notice of the claim as soon as practicable.
3. the Member and any other involved covered party must:
 - a. assist GIRMA, upon GIRMA's request, in the enforcement of any right against any person or organization which may be liable to the Member because of injury or damage to which this coverage may also apply;
 - b. authorize GIRMA to obtain records and other information;
 - c. cooperate with GIRMA in the investigation, settlement or defense of the claim or suit;
 - d. immediately send GIRMA copies of any demands, notices, summonses or legal papers received in connection with the claim or suit; and
 - e. notify GIRMA immediately of any judgment or settlement of any claim or suit brought against any covered party.
4. No Member will, except at its own cost, voluntarily make a payment, assume any obligation or incur any expense, other than for first aid, without GIRMA's consent.

D. LIMIT OF LIABILITY

GIRMA's liability for all covered losses and covered damages arising out of any one Occurrence, or Wrongful Act shall not exceed the applicable maximum Limit of Liability as specified in Declarations II.(p1) or elsewhere in the Coverage Agreement, less the amount of the applicable Named Member's deductible as specified in Declarations III.(p2), and subject to any applicable sublimits. Said Limit of Liability shall apply regardless of the number of Members involved, Claims made or suits brought or the number of persons or organizations making Claims or bringing suits.

For the purpose of determining the applicable "per Occurrence" or "per Wrongful Act" Limit of Liability, all losses and damages arising out of continuous or repeated exposure to substantially the same general conditions or attributable directly or indirectly to one cause or a series of similar causes (be they proximate or immediate) shall be considered one Occurrence, except as otherwise provided in Crime Coverage Section III.C and Casualty Coverage Section V.C.3. For purposes of determining the "per Wrongful Act" Limit of Liability, all claims involving the same Wrongful Act or a series of continuous or related Wrongful Acts by one or more persons will be considered one Wrongful Act. For purposes of this paragraph, all such losses shall be added together and the total amount of such losses will be treated as one Occurrence or Wrongful Act, as the case may be, irrespective of the period of time or area over which such losses occur. By way of illustration, with respect to a claim for negligent hiring, any and all losses proximately caused by the acts or omissions comprising the negligent hire shall be treated as one Occurrence regardless of the number of acts perpetrated by the employee, injuries, losses caused by the employee or victims perpetrated by the employee.

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The Annual Aggregate Limit of Liability specified in Declarations II or in the Coverage Agreement is the most that GIRMA will pay under the form of coverage to which the Annual Aggregate Limit applies for all covered losses and covered damages arising out of all Occurrences and Wrongful Acts that happen within the one year period beginning each May 1.

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Claims involving Sexual Misconduct shall be subject to an Annual Aggregate Limit of Liability equal to three times the per Occurrence Limit of Liability.

If a Limit of Liability is changed (e.g., upon May 1 renewal), the change will apply with respect to Occurrences and Wrongful Acts happening on or after the effective date of the change.

Regardless of the number of years the Coverage Agreement continues in force and the amount of contributions which shall be payable or paid, Limits of Liability shall not be cumulative (i.e., stacked) from year to year for a single Occurrence or Wrongful Act.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

GENERAL COVERAGE DEFINITIONS**I. TERMS****A. ANNUAL AGGREGATE LIMIT**

The term "Annual Aggregate" or "Annual Aggregate Limit" as used in Declarations II or elsewhere in the Coverage Agreement means the most that GIRMA will pay under the form of coverage to which the Annual Aggregate Limit applies for all covered losses and covered damages arising out of all Occurrences and Wrongful Acts that happen within the one year period beginning each May 1 (see General Coverage Conditions Applicable to the Casualty Coverage Sections III.D., Limit of Liability).

B. BODILY INJURY

The term "Bodily Injury" shall mean physical injury to any person (including death) and any mental anguish or mental suffering associated with or arising from such physical injury.

C. CLAIM

The term "Claim" shall mean a demand against a Member or by a Member for Money Damages for compensable losses.

D. COVERAGE AGREEMENT PERIOD

"Coverage Agreement Period" shall mean the Coverage Agreement Period stated in Declarations I.

E. COVERAGE TERRITORY

"Coverage Territory" shall mean the United States and Canada.

F. LIABILITY

The term "Liability" shall include, but not be limited to, any actual or alleged obligation to pay money awarded as damages for compensable losses and the expenses of defending against the same.

G. MONEY DAMAGES

The term "Money Damages" means all sums recoverable by law from Liability covered under this Coverage Agreement, except sums awarded for attorney fees and court costs associated with claims seeking declaratory, equitable, extraordinary or other nonmonetary relief. Attorneys fees are only covered when awarded in addition to damages for compensable loss and are not covered independently from such damages. Money damages do not include punitive or exemplary damages.

H. OCCURRENCE

1. With respect to Comprehensive General Liability, Law Enforcement Liability, and Auto Liability, the term "Occurrence" shall mean an accident or, only with respect to Law Enforcement Liability, an event, or a continuous or repeated exposure to conditions which results in Bodily Injury, Personal Injury, or Property Damage described in Casualty Coverage Section I.C.. during the Coverage Agreement Period.
2. With respect to Property Coverage, the term "Occurrence" shall be as defined in Property Coverage Section II. F.
3. With respect to Employee Benefits Liability Coverage, the term "Occurrence" shall be as defined in Casualty Coverage Section V. C.3.
4. With respect to Crime Coverage, the term "Occurrence" shall be as defined in Crime Coverage Section III.C.

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I. PERSONAL INJURY

The term "Personal Injury" shall mean injury, other than Bodily Injury, arising out of one or more of the following offenses:

- a. humiliation;
- b. erroneous service of civil papers;
- c. false arrest, detention, imprisonment or malicious prosecution;
- d. mental injury, mental anguish, shock, sickness or disability;
- e. oral or written publication of material that slanders or libels a person or organization or disparages or defames a person's or organization's goods, products or services;
- f. oral or written publication of material that violates a person's right of privacy;
- g. infringement of copyright; or
- h. wrongful entry into, or eviction of a person from a room, dwelling or premises that the person occupies.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

"Personal Injury" also shall mean injury, other than Bodily Injury, arising out of one or more of the following offenses committed in the course of Law Enforcement Activities (as defined in Casualty Coverage Section I.C.5):

- a. assault or battery; or
- b. violation of civil rights protected under any federal, state or local law.

J. PROPERTY DAMAGE

The term "Property Damage" wherever used herein shall mean physical damage to or destruction or loss of tangible property, excluding, however damage to property owned by the Named Member, but including damage to structures or portions thereof rented to or leased to the Named Member including fixtures permanently attached thereto, or damage to property of others in the care, custody or control of the Named Member or property which is purchased by the Named Member under a contract which provides that the title remain with the sellers until payments have been completed, the liability of GIRMA being limited to the amount of payments outstanding.

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K. SEXUAL MISCONDUCT

"Sexual Misconduct" shall mean any sexual act (even if consensual) regardless of whether there is physical contact, including sexual abuse, sexual molestation, sexual harassment, sexual assault, sexual victimization, sexual intimacy, sexual contact, sexual advances, sexual exploitation, requests for sexual favors, verbal or physical conduct of a sexual nature, or any request to engage in sexual activities.

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L. WRONGFUL ACT

The term "Wrongful Act" shall mean a Public Official Wrongful Act or Employment Practices Wrongful Act.

The term "Public Official Wrongful Act" shall mean any actual or alleged error or misstatement, omission, act of neglect or breach of duty including misfeasance, malfeasance and non-feasance by the Named Member committed during the Coverage Agreement Period while acting within the scope of the Member's duties for the Named Member. "Public Official Wrongful Act" includes actual or alleged violations of the United States Constitution or any State Constitution, or any law affording protection for Civil Rights, provided coverage is otherwise afforded hereunder for each such Public Official Wrongful Act.

The term "Employment Practices Wrongful Act" shall mean:

- a. wrongful refusal to employ a qualified applicant for employment;
- b. wrongful failure to promote;
- c. wrongful deprivation of career opportunity;
- d. wrongful demotion, evaluation, reassignment or discipline;
- e. wrongful termination of employment, including constructive discharge;
- f. employment related misrepresentation;
- g. harassment, coercion, discrimination or humiliation as a consequence of race, color, creed, national origin, marital status, medical condition, gender, age, physical appearance, physical and/or mental impairments, pregnancy, sexual orientation or sexual preference or any other protected class or characteristic established by an applicable federal, state or local statute; or
- h. employment related libel, slander, defamation or invasion of privacy.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

PROPERTY COVERAGE SECTION**I. COVERAGE SUMMARY****A. LIMIT OF LIABILITY**

The limit of liability shall be the amount as shown in the Declarations II.A.1. (p1).

B. DESCRIPTION**1. Real and Personal Property**

Covers all real and personal Property of the Named Member, including property of others for which Named Member is contractually obligated, wherever located in the world, provided such property is included on the Named Member's schedule on file with GIRMA. GIRMA will cover as real and personal Property unscheduled property not included on the Named Member's schedule on file with GIRMA ("Miscellaneous Unscheduled Property"), subject to the sublimit found at Section I.E.2.h. of the Property Coverage Section of \$100,000 (maximum Annual Aggregate Limit) excess of applicable deductibles.

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GIRMA will not cover the following unscheduled property except as specifically provided in this Coverage Agreement:

- (a) personal property outside a covered structure;
- (b) Automobiles and Mobile Equipment;
- (c) bridges, roadways, walks, patios, and other paved surfaces;
- (d) boardwalks, piers, bulkheads, wharves, docks, pilings, dams, levees, and dikes;
- (e) street lights and traffic signals;
- (f) telephone and power poles and cables, transmission and distribution lines;
- (g) data and telecommunications cables and transmission lines;
- (h) power infrastructure of any kind;
- (i) drones;
- (j) playground equipment;
- (k) vacant or abandoned property or buildings;
- (l) sewer piping, underground vessels or piping, or piping forming part of a sprinkler system;
- (m) water piping;
- (n) vehicle or equipment mounted on a vehicle;
- (o) satellite, spacecraft or any equipment mounted on spacecraft;
- (p) dragline, excavation or construction equipment;
- (q) electronic data processing equipment. Electronic data processing equipment includes programmable electronic equipment that is used to store, retrieve and process data, and associated peripheral equipment; or
- (r) artificial turf fields.

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In addition, GIRMA will not cover unscheduled property for the following expenses, extensions of coverage, or perils:

- (a) debris removal;
- (b) demolition and increased cost of reconstruction;
- (c) excavation, backfilling, or grading;
- (d) time element;
- (e) extraction of pollutants from land or water;
- (f) flood; or
- (g) earth movement.

2. Automobile Physical Damage and Mobile Equipment

Covers Automobile Physical Damage and Mobile Equipment of the Named Member for which Named Member is contractually obligated, wherever located in the world, provided such Automobiles and Mobile Equipment are included on the Named Member's schedule on file with GIRMA.

C. COVERAGE**1. Real and Personal Property**

GIRMA agrees, subject to the limitations, terms, exclusions and conditions of this Coverage Agreement, to indemnify the Named Member for all risks of direct physical loss or damage to all real or personal property of every kind and description wherever located in the world occurring during the Coverage Agreement Period.

2. Automobile Physical Damage and Mobile Equipment

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GIRMA agrees, subject to the limitations, terms, exclusions and conditions of this Coverage Agreement, to indemnify the Named Member for loss or damage to Automobiles and Mobile Equipment owned by the Named Member or for which the Named Member has an obligation to provide adequate coverage, wherever located, against all risks of direct physical loss or damage including Collision of the Automobile or Mobile Equipment with another object occurring during the Coverage Agreement Period.

D. VALUATION**1. Real and Personal Property**

Real and personal property coverage is provided on a replacement cost basis (meaning no deduction for depreciation).

2. Automobile Physical Damage and Mobile Equipment

Automobile Physical Damage and Mobile Equipment coverage is provided on an actual cash value basis.

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GIRMA's liability for loss or damage shall be determined as follows:

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1. with respect to real and personal property, GIRMA shall not be liable for the cost in excess of, as of the date of loss, replacement of the damaged or destroyed property in a new condition with materials of like size, kind and quality, all subject to the following conditions:
 - a. if property damaged or destroyed is not repaired, rebuilt or replaced on the same or another site within two (2) years after the loss or damage, GIRMA shall not be liable for more than the actual cash value as of the date of loss (ascertained with proper deduction for depreciation) of the property destroyed;
 - b. the total liability of GIRMA under this Coverage Agreement for loss to property included hereon shall not exceed the smallest of the following:
 1. the cost to repair; or
 2. the cost to rebuild or replace, all as of the date of loss, on the same site, with new materials of like size, kind and quality; or
 3. the actual expenditure incurred in rebuilding, repairing or replacing on the same or another site.

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2. with respect to Automobiles, Mobile Equipment and artificial turf fields that the Named Member has included on its schedule filed with GIRMA, the actual cash value at the time of loss or the cost to repair, whichever is less;

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3. For an Emergency Vehicle that results in a total loss; in addition to the actual cash value for the vehicle GIRMA shall pay the cost necessary to repair or replace Emergency Equipment with property of like kind and quality, without deduction or depreciation, if the original Emergency Equipment cannot be installed in a replacement Emergency Vehicle up to a maximum amount of \$10,000. If the original Emergency Equipment can be installed in a replacement Emergency Vehicle, GIRMA shall pay the cost to install such items onto a replacement Emergency Vehicle. "Emergency Vehicle" means a Covered Automobile that is equipped with emergency equipment and used for Emergency Response Operations involving law enforcement, firefighting, or emergency medical operations. "Emergency Equipment" means (a) permanently attached machinery or equipment; (b) customized equipment of an Emergency Vehicle; and (c) equipment parts, other than equipment or tools designed for use apart and away from the Emergency Vehicle that are removeable from a housing unit attached to an Emergency Vehicle. "Emergency Response Operations" means actions involving firefighting or emergency medical operations, which are urgent responses for the protection of property, human life, health, or safety
4. with respect to stock in process at the value of raw material and labor expended plus the proper proportion of overhead charges;
5. with respect to finished goods manufactured by the Named Member, at the regular cash selling price at the location that the loss occurs, less all discounts and charges to which the property would have been subject had no loss occurred;
6. with respect to property of others at the amount for which the Named Member is liable but in no event to exceed the replacement cost value;
7. with respect to improvements and betterments, at replacement cost, if actually replaced within two (2) years after the loss or damage; if not so replaced, at the actual cash value on the date of loss;

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8. with respect to accounts, manuscripts, mechanical drawings and other records and documents not specifically excluded, at value blank plus cost of transcribing;

with respect to patterns and dyes, at replacement cost if actually replaced, otherwise at actual cash value on the date of loss;

9. with respect to fine arts, at the appraised value of the article;

E. EXTENSIONS LIMIT OF LIABILITY

The following extensions of coverage show the additional perils and coverages provided under this document, and the maximum limit of liability; these limits replace and in no way increase the limits found in Declarations II or the other Coverage Sections.

1. Perils

- a. Flood – the blanket limit of property coverage not to exceed \$10,000,000 per Occurrence and Annual Aggregate per Member, subject to \$100,000,000 Annual Aggregate shared by all Members.
- b. Earthquake – the blanket limit of property coverage not to exceed \$10,000,000 per Occurrence and Annual Aggregate per Member, subject to \$100,000,000 Annual Aggregate shared by all Members.

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2. Coverages (unless otherwise scheduled) –**Per Occurrence Limit**

- | | |
|--|----------------|
| a. Business Interruption and Extra Expense | \$500,000. |
| b. Electronic Data Processing Equipment, Media and Extra Expense | \$500,000. |
| c. Valuable Papers and Records | \$500,000. |
| d. Accounts Receivable | \$500,000. |
| e. Transit | \$500,000. |
| f. Loss of Rents | \$500,000. |
| g. Builders' Risk | \$500,000. |
| h. Miscellaneous Unscheduled Property | \$100,000. |
| i. Demolition/Debris Removal and Cost of Clean Up/Ordinance Deficiency (see p.26 section J for applicable limit) | |
| j. Equipment Breakdown (Per Occurrence Limit) | \$100,000,000. |

II. PROPERTY COVERAGE SECTION DEFINITIONS**A. ANNUAL AGGREGATE LIMIT**

The term "Annual Aggregate" or "Annual Aggregate Limit" means the most that GIRMA will pay under the form of coverage to which an Annual Aggregate Limit applies for all covered loss damage or expense arising out of all Occurrences that happen within the one year period beginning each May 1.

B. AUTOMOBILE

The term "Automobile" shall mean any land motor vehicle, trailer or semi-trailer, including its equipment and any other equipment permanently attached thereto, designed and licensed for highway use. The word "trailer" shall include semi-trailer.

C. EARTHQUAKE

The term "Earthquake" shall mean earthquake, volcanic eruption, subterranean fire, landslide, subsidence, earth sinking and earth rising or shifting or any such convulsion of nature. If more than one earthquake shock shall occur within any period of seventy-two (72) hours during the term of this Coverage Agreement, such earthquake shock shall be deemed to be a single earthquake within the meaning hereof.

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D. FLOOD

The term "Flood" shall mean any flood, surface water, waves, tides, tidal waves, overflow of any body of water or their spray, all whether driven by wind or not (including storm surge and tsunami); mudslide or mudflow; waterborne material carried or otherwise moved by any of the foregoing or material carried or moved by mudslide or mudflow; water that backs up from a sewer or drain; or water under the ground surface pressing on, or flowing or seeping through (a) foundations, walls, floors or paved surfaces, (b) basements, whether paved or not, or (c) doors, windows or other openings. This definition applies regardless of whether any such peril is caused by an act of nature or is otherwise caused—for example, due to the whole or partial failure of a dam, levee, seawall or other boundary or containment system.

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E. MOBILE EQUIPMENT

The term "Mobile Equipment" shall mean bulldozers, farm machinery, forklifts, vehicles which travel on crawler treads, road resurfacing equipment, graders, scrapers, rollers, street sweepers and any machinery or equipment attached permanently thereto.

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F. OCCURRENCE

The term "Occurrence" wherever used herein shall mean an accident or a happening or event which results in direct physical loss of or damage to any individual property as shown on the schedule in the Named Member Application on file with GIRMA, or to property described in Property Coverage Section III B, 1, C.1, E.1, F.1.a., G.1, or I during the Coverage Agreement Period. For purposes of determining the applicable Limit of Liability, all loss or damage arising from continuous or repeated exposure to substantially the same general conditions or attributable directly or indirectly to one cause or a series of similar causes shall be considered one Occurrence.

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However, the duration and extent of any Occurrence so defined shall be limited to:

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- a. 72 consecutive hours as regards a hurricane, typhoon, windstorm, rainstorm, hailstorm and/or tornado.
- b. 72 consecutive hours as regards earthquake, seaquake, tidal wave (including tsunami).
- c. 72 consecutive hours and within the limits of one city, town or village as regards riots, civil commotions and malicious damage.
- d. 72 consecutive hours as regards any loss occurrence which includes individual loss or losses from any of the perils mentioned in (a) (b) and (c) above.
- e. 672 consecutive hours as regards a volcanic eruptive event.
- f. 168 consecutive hours of any Occurrence of whatsoever nature which does not include individual loss or losses from any of the perils mentioned in (a), (b), (c) and (e) above.

and no individual loss from whatever Insured peril, which occurs outside these periods or areas, shall be included in that Occurrence.

GIRMA shall have the right to choose the date and time when any such period of consecutive hours commences. If any catastrophes of greater duration than the above periods, GIRMA may divide that catastrophe into two or more Occurrences, provided no two periods overlap and provided no period commences earlier than the date and time of the happening of the first recorded individual loss to GIRMA in that catastrophe, except for any "loss occurrence" referred to in subparagraph e. above where only one such period of 672 consecutive hours shall apply within each annual period."

G. PROPERTY OF THE NAMED MEMBER

The term "Property of the Named Member" shall mean all real and personal property, including leasehold improvements or betterments which the Named Member owns, property which the Named Member holds on consignment or agrees to cover by any contractual agreement normal to its operations and the Named Member's own property in the course of construction.

III. EXTENSIONS OF COVERAGE**A. BUSINESS INTERRUPTION and EXTRA EXPENSE**

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It is agreed that if the individual property as shown on the schedule in the Named Member Application on file with GIRMA is damaged or destroyed by perils covered against during the period of the Coverage Agreement so as to result in monetary loss due to interruption of business or necessitate the incurring of Extra Expense, GIRMA shall be liable for the actual loss sustained by the Named Member (not exceeding the reduction in Gross Earnings less charges and expenses which do not necessarily continue during the interruption of business) during the Period of Restoration. Due consideration shall be given to the continuation of normal charges and expenses including payroll expenses to the extent necessary to resume operations of the Named Member with the same quality of service which existed immediately preceding the loss), or for any Extra Expense so incurred, not exceeding the actual loss sustained. In no event shall GIRMA be liable for monetary loss due to interruption of business and Extra Expense in any amount greater than the sublimit shown in Property Coverage Section I.E.2.a. (p 18).

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1. Exclusions

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In addition to General Coverage Agreement Exclusions I (General Exclusion Applicable to the Entire Coverage Agreement) (p3) and II (General Exclusions Applicable to the Property Coverage Sections) (pp4-5) to which this Extension is attached, GIRMA shall not be liable for:

- a. Business Interruption and Extra Expense resulting from the suspension, lapse or cancellation of any lease, license, contract or order beyond the Period of Restoration;

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- b. Business Interruption and Extra Expense resulting from interference at premises by strikers or other persons with rebuilding, repairing or replacing the property damaged or destroyed or with the resumption or continuation of business;
- c. loss resulting from theft of any property which at the time of loss is not an integral part of a building or structure (except direct loss by pillage and looting occurring during and at the immediate place of a riot or civil commotion), unless loss by a peril not excluded in this Coverage Agreement ensues from theft or attempted theft, and then GIRMA shall be liable for only such ensuing loss;
- d. the cost of repairing or replacing any of the real or personal property covered hereunder, or the cost of research or other expense necessary to replace or restore damaged or destroyed books of account, abstract drawings, card index systems or other records (including files, tape, disc, drum, cell or other magnetic recording or storage media for electronic data processing), destroyed by the perils covered against, except cost in excess of the normal cost of such repair, replacement or restoration necessarily incurred for the purpose of reducing loss under this Extension. In no event shall such excess cost exceed the amount by which the total Extra Expense loss otherwise payable under this;
- e. any other consequential or remote loss.

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2. Conditions in Addition to General Coverage Agreement Conditions I (pp8-9) and Property Coverage Section Conditions II (pp10-11) (unless amended herein):

- a. **Direct Damage**
No claims resulting from the necessary interruption of business shall be sustained against this Extension of Coverage unless and until a loss has been paid, or liability admitted, in respect of direct physical damage to property insured under the Coverage Agreement, giving rise to the business interruption. This condition applies if payment would have been made or liability would have been admitted solely because of the operation of a deductible in the Coverage Agreement, including liability for losses below the amount of the deductible.
- b. **Expenses to Reduce Loss**
This Extension of Coverage also covers such expenses as are necessarily incurred for the purpose of reducing loss (except expenses incurred to extinguish a fire; but in no event to exceed the amount by which loss under this Extension of Coverage is thereby reduced. Such expenses shall not be subject to the application of any contribution clause.
- c. **Interruption by Civil Authority**
Liability includes the actual loss, as covered hereunder, sustained during the period of time (not exceeding two weeks) when as a direct result of a peril covered against, access to the premises in which the property described is located is prohibited by order of civil authority.
- d. **Resumption of Operations**
If the Named Member could reduce the loss resulting from the interruption in business;
 - 1. by complete or partial resumption of operation of the property whether or not such property be lost or damaged, or
 - 2. by making use of merchandise or other property at the Named Member's locations or elsewhere, such reduction shall be taken into account in arriving at the amount of loss hereunder.

Additionally, it is a condition of the Coverage Agreement that as soon as practicable, the Named Member shall resume normal operations of the business and shall dispense with such Extra Expense.

3. Definitions

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- a. **PERIOD OF RESTORATION**
The term "Period of Restoration" means the length of time commencing with the date of damage ending (not limited by the date of expiration of the Coverage Agreement) on the date as would be required with the exercise of due diligence and dispatch to repair, rebuild or replace such part of the Named Member's property as has been damaged or destroyed or the date when operations are resumed at a new permanent location, whichever occurs earlier.
- b. **EXTRA EXPENSE**
The term "Extra Expense" wherever used herein shall mean the excess (if any) of the total cost during the Period of Restoration of the operation of the Named Member over and above the total cost of such operation that would normally have been incurred during the same period had no loss occurred; the cost in each case to include expense of using other property or facilities of other concerns or other

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necessary emergency expenses. In no event, however, shall GIRMA be liable for any direct or indirect property damage loss which can be covered under Property Coverage Section I, or for expenditures incurred for the purpose of reducing any loss under this Extension not exceeding the amount in which the loss is so reduced. Any salvage value of property so acquired which may be sold or utilized by the Named Member upon resumption of normal operations, shall be taken into consideration in the adjustment of any loss hereunder.

c. GROSS EARNINGS

"Gross Earnings" are defined as the sum of:

1. total net sales value of production, and
2. other earnings derived from the Named Member's operations less the cost of
3. merchandise sold including packaging materials therefore
4. materials and supplies consumed directly in supplying the service(s) sold by the Named Member, and
5. Service(s) purchased from outsiders (not employees of the Named Member) for resale, which do not continue under contract.

No other costs shall be deducted in determining Gross Earnings.

In determining Gross Earnings, due consideration shall be given to the experience of the business before the date of loss or damage and the probable experience thereafter had no loss occurred.

B. ELECTRONIC DATA PROCESSING SYSTEM EQUIPMENT

1. Property Covered

Data processing hardware including equipment and component parts thereof owned by the Named Member or leased, rented or under the control of the Named Member which accept information, process and analyze that information according to programmed instructions, and produces or retains the results of those processes.

2. Property Excluded includes:

- a. accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents;
- b. active data processing media which is hereby defined as meaning all materials on which data can be recorded such as magnetic tapes and cards or program and/or instruction vehicles employed in the Named Member's data processing operation;
- c. property rented or leased to others while away from the premises of the Named Member.

3. Perils Covered

All risks of direct physical loss of or damage to the property covered, except as hereinafter provided, occurring during the Coverage Agreement Period.

4. Perils Excluded

In addition to General Coverage Agreement Exclusion I (p3) and Property Coverage Section Exclusion II (pp 4-5) to which this Extension is attached, this Extension does not cover against loss, damage or expense resulting from or caused directly or indirectly by:

- a. damage due to faulty construction, or error in design unless fire or explosion ensues, and then only for loss, damage or expense caused by such ensuing fire or explosion;
- b. dryness or dampness of atmosphere, extremes of temperature, corrosion, or rust unless directly resulting from physical damage to the data processing system's air conditioning facilities caused by a peril not excluded by the provisions of this Extension.

5. Valuation – Replacement Cost

GIRMA shall not be liable beyond the actual replacement cost of the property at the time any loss or damage occurs and the loss or damage shall be ascertained or estimated on the basis of the actual replacement cost of property similar in kind to that covered at the place of and immediately preceding the time of such loss or damage, but in no event to exceed the Limit of Liability stipulated in Property Section I.E.2.b. (p18).

6. Difference in Conditions

It is understood that the Named Member shall file with GIRMA a copy of any lease, rental or service agreement pertaining to the property covered hereunder insofar as concerns the lessors' liability for loss or

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damage to said property, coverage afforded hereunder shall be only for the difference in conditions between those contained in said lease, rental or service agreement and the terms of the Extension.

C. ELECTRONIC DATA PROCESSING MEDIA

1. **Property Covered**
All data processing media, as defined below, owned by the Named Member or property of others licensed to and used by the Named Member for which the Named Member may be liable.
2. **Property Excluded**
This Coverage Agreement does not cover accounts, bills, evidences of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents except as they may be converted to data processing media form, and then only in that form, or any data processing media which cannot be replaced with other of like kind and quality.
3. **Perils Covered**
All risks of direct physical loss of or damage to the property covered, except as hereinafter provided, occurring during the Coverage Agreement Period.
4. **Perils Excluded**
In addition to General Coverage Agreement Exclusions I (p3) and Property Coverage Section Exclusions II (pp3-5) to which this Extension is attached, this Extension does not cover against loss, damage or expense resulting from or caused directly or indirectly by:
 - a. any interruption in electric power supply by power surge or brown-out originating more than one hundred (100) feet away from the building containing the property covered;
 - b. dryness or dampness of atmosphere, extremes of temperature, corrosion, rust unless directly resulting from physical damage to the data processing system's air conditioning facilities caused by a peril not excluded by the provisions of this Extension.
5. **Valuation – Replacement Cost**
GIRMA shall not be liable beyond the actual reproduced, blank value of media, all subject to the applicable Limit of Liability stipulated in Property Section I.E.2.b. (p16).
6. **Definitions**
 - a. **MEDIA**
The term "Media" includes all materials on which data can be recorded, such as magnetic tapes, disk packs, paper tapes and cards. The term "active data processing media" wherever used in this Coverage Agreement shall mean all forms of converted data or program and/or instruction vehicles employed in the Named Member's data processing operation, except all such unused property.

D. ELECTRONIC DATA PROCESSING EXTRA EXPENSE

1. **Subject of Coverage and Perils Covered**
This Extension insures against the necessary Extra Expense, as hereinafter defined, incurred by the Named Member in order to continue as nearly as practicable the normal operation of its business, immediately following damage to or destruction of the data processing system including equipment and component parts thereof and data processing media therefore, owned, leased rented or under the control of the Named Member, as a direct result of all risks of physical loss or damage, but in no event to exceed the amount indicated in Property Section I.E.2.b. (p16).

This Extension includes the actual loss as covered hereunder, sustained during the period of time, hereinafter defined:
 - a. when as a direct result of a peril covered against the premises in which the real property is located is so damaged as to prevent access to such real property; or
 - b. when as a direct result of a peril covered against, the air conditioning system or electrical system necessary for the operation of the data processing equipment is so damaged as to reduce or suspend the Named Member's ability to actually perform the operations normally performed by the data processing system.
2. **Measure of Recovery**
If the above described property is destroyed or so damaged by the perils covered against occurring during the Coverage Agreement Period so as to necessitate the incurring of Extra Expense (as defined in this

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Extension), GIRMA shall be liable for the Extra Expense so incurred, not exceeding the actual loss sustained for not exceeding such length of time, hereinafter referred to as the "" commencing with the date of damage or destruction and not limited by the date of expiration of this Extension, as shall be required with the exercise of due diligence and dispatch to repair, rebuild or replace such part of said property as may be destroyed or damaged. It is further agreed that this Extension in coverage shall not operate to increase GIRMA's Limit of Liability.

3. Exclusions

In addition to General Coverage Agreement Exclusions I (p3) and Property Coverage Section Exclusions II (pp 4-5) to which this extension is attached, it is a condition of this Coverage Agreement that GIRMA shall not be liable for Extra Expense incurred as a result of:

- a. any interruption in electric power supply by power surge or brown-out originating more than one hundred (100) feet away from the building containing the covered property;
- b. any Local, State or Federal ordinance or law regulating construction or repair of buildings;
- c. error in machine programming or instructions to machine;
- d. interference at premises by strikers or other persons with replacing the property damaged or destroyed or with the resumption or continuation of the Named Member's occupancy;
- e. loss of or damage to property rented or leased to others while away from the premises of the Named Member;
- f. loss or destruction of accounts, bills, evidence of debt, valuable papers, records, abstracts, deeds, manuscripts or other documents except as they may be converted to data processing media form and then only in that form;
- g. the suspension, lapse or cancellation of any lease, license, contract or order.

4. Conditions in addition to General Coverage Agreement Conditions I (pp8-9) and Property Coverage Section Conditions II (pp10-11) (unless amended herein)

a. Interruption by Civil Authority

This Coverage Agreement is extended to include necessary Extra Expense incurred by the Named Member as covered hereunder, during the length of time, not exceeding two (2) consecutive weeks, when as a direct result of damage to or destruction of property adjacent to the premises herein described by the peril(s) covered against, access to such described premises is specifically prohibited by order of civil authority;

b. Resumption of Operations

As soon as practicable after any loss, the Named Member shall resume complete or partial business operations of the covered property and, insofar as practicable, reduce or dispense with such additional charges and expenses as are being incurred.

5. Definitions

a. EXTRA EXPENSE

The term "Extra Expense" wherever employed in this Extension is defined as the excess (if any) of the total cost during the Period of Restoration of the operation of the Named Member over and above the total cost of such operation that would normally have been incurred during the same period had no loss occurred; the cost in each case to include expense of using other property or facilities of other concerns or other necessary emergency expenses. In no event, however, shall GIRMA be liable for direct or indirect property damage loss which can be covered under Property Damage Agreements, or expenditures incurred for the purpose of reducing any loss under this Extension not exceeding, however, the amount in which the loss is so reduced. Any salvage value of property so acquired which may be sold or utilized by the Named Member upon resumption of normal operations, shall be taken into consideration in the adjustment of any loss hereunder.

E. VALUABLE PAPERS AND RECORDS

1. Property Covered

GIRMA agrees to pay in respect to loss or damage to valuable papers and records, hereinafter referred to as "property".

2. Perils Covered

All risks of direct physical loss of or damage to the property covered, except as hereinafter provided, occurring during the period of the coverage to which this Extension is attached.

3. Protection of Valuable Papers and Records

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Coverage under this Extension shall apply only while the property is contained at the premises of the Named Member, and shall be kept in protective receptacle(s) at all times when the premises are not open for business, except while such property is in actual use.

4. **Automatic Extension**
Such coverage as is afforded by this Extension applies while the property is being conveyed outside the premises and while temporarily within other premises, except for storage, provided GIRMA's liability for such loss or damage shall not exceed ten percent (10%) of the combined Limit of Liability stated in Property Section I.E.2.c. (p18), or Fifty Thousand (\$50,000) Dollars, whichever is less.
5. **Removal**
Such coverage as is afforded by this Extension applies while the property is being removed to and while at a place of safety because of imminent danger or loss and while being returned from such place, provided the Named Member gives written notice to GIRMA of such removal within ten (10) days.
6. **Exclusions**
In addition to General Coverage Agreement Exclusions I (p3) and Property Coverage Section Exclusions II (pp4-5) to which this Extension is attached, this Extension does not apply to:
 - a. loss due to electrical or magnetic injury, disturbance or erasure of electronic recordings, except by lightning;
 - b. loss of or damage to property, if such property cannot be replaced with other of like kind or quality.
7. **Conditions in addition to General Coverage Agreement Conditions I (pp8-9) and Property Coverage Section Conditions II (pp10-11) (unless amended herein)**
 - a. **Ownership of Property – Interests Covered**
The covered property may be owned by the Named Member or held by it in any capacity, provided the coverage applies only to the interest of the Named Member in such property, including the Named Member's liability to others, and does not apply to the interests of any other person or organization in any of said property unless included in the Named Member's proof of loss.
 - b. **Valuation / Settlement Option**
The limit of GIRMA's liability for loss shall not exceed the lesser of what it would then cost to repair or replace the property with other of like kind and quality, or the applicable limit of coverage as stated in Property Section I.E.2.c. (p18). GIRMA may pay for the loss in money or may repair or replace the property and may settle any claim for loss of the property either with the Named Member or the owner thereof. Application of the coverage to property of more than one Named Member shall not operate to increase the lesser of the applicable Limit of Liability as stated in Property Section I.E.2.c. (p18), or the statement of values on file with GIRMA.
8. **Definitions**
 - a. **MONEY**
The term "Money" as used in this Coverage Agreement shall be deemed to mean bank notes and bullion, travelers' checks, register checks and money orders held for sale to the public; uncanceled and precanceled postage and unused postage in postage meters.
 - b. **PREMISES**
The term "Premises" means the interior of that portion of the building which is occupied by the Named Member for business operations.
 - c. **PROPERTY**
The term "Property" means written, printed or otherwise inscribed documents and records, including books, maps, films, drawings, abstracts, deeds, mortgages and manuscripts, but does not mean money and securities.
 - d. **SECURITIES**
The term "Securities" as used in this Coverage Agreement shall be deemed to mean all negotiable and non-negotiable instruments or contracts representing either money or other property and includes revenue and other stamps of current use, tokens and tickets, Federal Food Stamps, express postal and bank money orders, postal notes, debentures, scrip, check, warrants, transfers, coupons, demand and time drafts, bills of exchange, acceptances, promissory notes, certificates of deposits, certificates of stock, bonds, car trust certificates, interim receipts and certificates, warehouse receipts, bills of lading

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and all other instruments of a similar nature including mortgages upon real estate or upon chattels and upon interest therein and assignments such as mortgages and instruments.

F. ACCOUNTS RECEIVABLE

1. Subject Covered

In consideration of the Named Member contribution paid and subject to the terms, conditions and exclusions of the Coverage Agreement to which this Extension is attached, and to the following terms, conditions and exclusions, this coverage description is intended to cover:

- a. all sums due to the Named Member from others, provided the Named Member is unable to effect collection thereof as a direct result of loss of or damage to records of accounts receivable;
- b. interest charges on any loan to offset impaired collections pending repayment of such sums made uncollectible by such loss or damage;
- c. collection expenses in excess of normal collection cost and necessary because of such loss or damage;
- d. other expenses, when reasonable, incurred by the Named Member in re-establishing records of accounts receivable following such loss or damage.

GIRMA hereon shall not be liable under this Extension for more than the applicable limit as stated in Property Section I.E.2.d. (p18) in respect of each loss or arising out of one occurrence.

2. Perils Covered

All risks of direct physical loss of or damage to the Named Member's records of accounts receivable, except as hereinafter provided, occurring during the period of the coverage to which this Extension is attached.

3. Exclusions

In addition to General Coverage Agreement Exclusions I (p3) and Property Coverage Section Exclusions II (pp4-5) to which this Extension is attached, this Extension does not cover against:

- a. loss due to alteration, falsification, manipulation, concealment, destruction or disposal of records of accounts receivable committed to conceal the wrongful giving, taking, obtaining or withholding of money, securities or other property but only to the extent of such wrongful giving, taking, obtaining or withholding;
- b. loss due to bookkeeping, accounting or billing errors or omissions;
- c. loss due to electrical or magnetic injury, disturbance or erasure of electronic recordings, except by lightning;
- d. loss, the proof of which as to factual existence, is dependent upon an audit of inventory records or computation; but this shall not preclude the use of such procedures in support of claim for loss which the Named Member can prove, through evidence wholly apart therefrom, is due solely to a risk of loss to records of accounts receivable not otherwise excluded hereunder.

4. Conditions in addition to General Coverage Agreement Conditions I (pp8-9) and Property Coverage Section Conditions II (pp10-11) (unless amended herein)

a. Determination of Receivables – Deductions

When there is proof that a loss covered by this Extension has occurred but the Named Member cannot accurately establish the total amount of accounts receivable outstanding as of the date of such loss, such amount shall be based on the Named Member's monthly statements and shall be computed as follows:

1. determine the amount of all outstanding accounts receivable at the end of the same fiscal month in the year immediately preceding the year in which the loss occurs;
2. calculate the percentage of increase or decrease in the average monthly total of accounts receivable for the twelve (12) months immediately preceding the month in which the loss occurs, or such part thereof for which the Named Member has furnished monthly statements to GIRMA as compared with such average for the same months of the preceding year;
3. the amount determined under (1) above, increased or decreased by the percentage calculated under (2) above, shall be the agreed total amount of accounts receivable as of the last days of the fiscal month in which said loss occurs;
4. the amount determined under (3) above shall be increased or decreased in conformity with the normal fluctuations in the amount of accounts receivable during the fiscal month involved, due consideration being given to the experience of the business since the last day of the last fiscal month for which statement has been rendered.

There shall be deducted from the total amount of accounts receivable, however established, the amount of such accounts evidenced by records not lost or damaged, or otherwise established or collected by the Named

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Member, and an amount to allow for probable bad debts which would normally have been uncollectible by the Named Member. All unearned interest and service charges shall be deducted.

b. Named Member's Duties when a Loss Occurs

Upon knowledge of loss or of an occurrence which may give rise to a claim hereunder, the Named Member shall:

1. give notice thereof as soon as practicable to GIRMA via the Third Party Administrator, and, if the loss is due to a violation of law, also to the police;
2. file detailed proof of loss, duly sworn to, with GIRMA promptly upon the expiration of the ninety (90) days from the date on which the records of accounts receivable were lost or damaged.

Upon GIRMA's request, the Named Member shall submit to examination by GIRMA, subscribe the same, times and places as GIRMA shall designate, and shall cooperate with GIRMA in all matters pertaining to loss or claims with respect thereto, including rendering of all possible assistance to effect collection of outstanding accounts receivable.

c. Recoveries

After payment of loss, all amounts recovered by the Named Member on accounts receivable for which the Named Member has been indemnified shall belong and be paid to GIRMA by the Named Member up to the total amount of loss paid by GIRMA; but all recoveries in excess of such amounts shall belong to the Named Member.

G. TRANSIT

1. Subject Covered

In consideration of the Named Member contribution paid and subject to the terms, conditions and exclusions of the Coverage Agreement to which this Extension is attached, and to the following terms, conditions and exclusions, this coverage description is intended to cover personal property of the Named Member or property held by the Named Member in trust or in commission or on consignment for which the Named Member may be held legally liable while in due course of transit within the limits of the Continental United States of America (excluding Hawaii) and Canada.

GIRMA hereon shall not be liable under this Extension for more than the applicable limit as stated in Property Section I.E.2.e. (p18) in respect of each loss or arising out of one occurrence.

2. Perils Covered

All risks of direct physical loss of or damage to the property covered, including general average and salvage charges on shipments covered while waterborne, occurring during the period of the coverage to which this Extension is attached.

3. Exclusions

In addition to General Coverage Agreement Exclusions I (p3) and Property Coverage Section Exclusions II (pp4-5) to which this Extension is attached, this Extension does not cover against:

a. Perils

1. loss or damage caused by breakdown or derangement of refrigerating units.
2. loss or damage caused by or resulting from misappropriation, conversion, infidelity or any dishonest act on the part of the Named Member or other party of interest, its or their employees or agents or others to whom the property may be delivered or entrusted (carriers for hire excepted);

b. Property

1. data processing equipment and media, including but not limited to film, tape, disc, drum, cell and other recording or storage media for data processing;
2. property in due course of ocean marine transit;
3. shipments by mail after delivery into the custody of the Post Office;

4. Conditions in addition to General Coverage Agreement Condition I (pp8-9) and Property Coverage Section Conditions II (pp10-11) (unless amended herein)

- a. The Named Member may accept without prejudice to this Coverage Agreement the ordinary bills of lading or receipts issued by carriers including those containing released or partially released value provisions, but the Named Member shall not enter into any special agreement with carriers releasing them from their common law or statutory liability.
- b. Property covered hereunder shall be valued as follows:
 1. sold property at the actual net invoice price of the Named Member;

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2. unsold property at the actual cash value of the property at the time any loss or damage occurs with property deduction for depreciation and in no event to exceed what it would cost to repair or replace the property with material of like kind and quality.

H. LOSS OF RENTS

It is hereby understood and agreed that subject to all terms, conditions and exclusions otherwise applicable, this Coverage Agreement is extended to cover loss of rents directly resulting from the necessary untenantability of a covered building caused by damage to such building or its contents by a peril covered against, and for which a Limit of Liability for loss to rents has been specified in Property Section I.E.2.f. (p18).

1. If the described building or any part thereof, whether rented at the time or not, shall be rendered untenantable by the perils covered against, GIRMA shall be liable to the Named Member for an amount not exceeding the actual loss sustained based upon loss of rents of such untenantable parts, not exceeding the Limit of Liability covering against loss of rents, not for more than one twelfth (1/12) of such limit shown in the Declarations for any one month, and proportionate part thereof for any period less than one month.

Such loss is to be computed from the date of damage and is to be determined by the time it would require, with the exercise of due diligence and dispatch, to put the premises in tenantable condition, but not limited by the date of expiration of this Coverage Agreement. In case any portion of the building shall be occupied by the Named Member for its own use, this Coverage Agreement shall be extended to and cover the rental value such portion so occupied in the same manner as if under lease to a tenant.

2. Liability under this Coverage Agreement is extended to include actual loss as covered hereunder sustained during the period of time, not exceeding two weeks, when as a direct result of a peril covered against, access to the Named Member's location(s) is/are prohibited by order of civil authority.
3. GIRMA shall not be liable for any increase of loss which may be occasioned by the suspension, lapse or cancellation of any lease, license or contract, nor for any increase or loss due to interference at the Named Member's location(s) by strikers or other persons with regard to restoration of the premises to a tenantable condition.
4. For the purpose of this Coverage Agreement, the term "Rents" shall mean the determined rents and rental value, less such charges and expenses as do not necessarily continue after occurrence of the peril covered against.

I. BUILDER'S RISK

Coverage for new construction or additions is automatic up to a completed value as specified in Property Section I.E.2.g. (p18). Values excess of this coverage limit must be reported prior to construction.

J. DEMOLITION/DEBRIS REMOVAL AND COST OF CLEAN UP/ORDINANCE DEFICIENCY

Notwithstanding anything to the contrary contained in the Coverage Agreement to which this Extension is attached, in the event of direct physical loss or damage to the property covered hereunder this Coverage Agreement also covers, as specified in Property Section I.E.2.i. (p18):

1. demolition expenses required to comply with enforcement of any federal, state or local law, ordinance or code, not to exceed 25% of the amount paid for the direct physical loss or damage to covered property plus the applicable Named Member deductible;
2. expenses incurred in removal, from the premises of the Named Member, of debris of the covered property destroyed or damaged and cost of clean up, at the premises of the Named Member, made necessary as a result of such loss or damage not to exceed 25% of the amount paid for the direct physical loss or damage to covered property plus the applicable Named Member deductible ;
3. increased costs occasioned by the enforcement of any federal, state or local law, ordinance or code which necessitates, in repairing or rebuilding, replacement of material to meet such requirements.
It is a condition precedent to recovery under this Extension that GIRMA shall have paid or agreed to pay for physical loss or damage and that the Named Member shall give notice to GIRMA of intent to claim for cost of removal of debris or cost of clean up no later than twelve (12) months after the date of such loss or damage.

K. EQUIPMENT BREAKDOWN

1. Subject of Coverage and Perils Covered

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GIRMA agrees to pay for direct physical loss of or damage to the property covered that is the direct result of an equipment breakdown up to the value specified in Property Section 1.E.2.j. (p18). As used in this Extension, "equipment breakdown" means a fortuitous event that causes direct physical damage to covered equipment. The event must be one of the following:

- a. mechanical breakdown, including rupture or bursting caused by centrifugal force;
- b. artificially generated electrical current, including electric arcing, that disturbs electrical devices, appliances or wires;
- c. explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by the Named Member, or operated under the Named Member's control;
- d. loss or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
- e. loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.

If an initial equipment breakdown causes other equipment breakdowns, all will be considered one equipment breakdown. All equipment breakdowns that are the result of the same event will be considered one equipment breakdown.

2. **Property Covered**

The following coverages also apply to the direct result of an equipment breakdown. These coverages do not provide additional amounts of coverage. The sublimits referred to below are part of and count toward the Equipment Breakdown Limit in Property Coverage Section 1.E.2.j. (p18).

a. **Expediting Expenses**

GIRMA agrees to pay up to \$10,000,000 per Occurrence, the reasonable extra cost to:

1. make temporary repairs; and
2. expedite permanent repairs or permanent replacement.

b. **Hazardous Substances**

GIRMA agrees to pay for the additional cost to repair or replace property covered because of contamination by a hazardous substance. This includes the additional expenses to clean up or dispose of such property.

This does not include contamination of perishable goods by refrigerant, including but not limited to ammonia, which is addressed in 2.c.1.b.below. As used in this coverage, additional costs mean those beyond what would have been payable under this Extension had no hazardous substance been involved.

GIRMA shall be liable for loss, damage or expense under this coverage, including actual loss of Business Interruption the Named Member sustains, necessary Extra Expense the Named Member incurs and Loss of Rents, if shown as covered, not to exceed \$250,000.

c. **Spoilage**

1. GIRMA agrees to pay:

- a. for physical damage to perishable goods due to spoilage;
- b. for physical damage to perishable goods due to contamination from the release of refrigerant, including but not limited to ammonia;
- c. any necessary expenses the Named Member incurs to reduce the amount of loss under this coverage to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.

2. If the Named Member is unable to replace the perishable goods before its anticipated sale, the amount of GIRMA's payment will be determined on the basis of the sales price of the perishable goods at the time of the equipment breakdown, less discounts and expenses the Named Member otherwise would have had. Otherwise GIRMA's payment will be determined in accordance with the Valuation condition.

GIRMA shall be liable for loss, damage or expense under this coverage, not to exceed \$10,000,000 per Occurrence.

d. **Service Interruption**

1. Any coverage provided for Business Interruption, Loss of Rents, Extra Expense or Spoilage is extended to apply to the Named Member's loss, damage or expense caused by an equipment breakdown to equipment that is owned by a utility, landlord or other supplier with whom the Named Member has a contract to supply the Named Member with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water, steam, internet access, telecommunications services, wide area

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- networks or data transmission. The equipment must meet the definition of covered equipment except that it is not property covered.
2. Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the equipment breakdown.
 3. Exclusions
 - a. In addition to General Coverage Agreement Exclusions I (p3) and Property Coverage Section Exclusion II (pp4-5) to which this Extension is attached, this Extension does not cover against loss, damage or expense resulting from or caused directly or indirectly by:
 1. the Named Member's failure to use all reasonable means to protect the property covered from damage following an equipment breakdown;
 2. any defect, programming error, programming limitation, computer virus, malicious code, loss of data, loss of access, loss of use, loss of functionality or other condition within or involving data or media of any kind. But if an equipment breakdown results, GIRMA agrees to pay for the resulting loss, damage or expense; or
 3. any of the following tests:
 - a hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel, or an electrical insulation breakdown test of any type of electrical equipment.
 - b. With respect to Service Interruption coverage, GIRMA shall also not be liable for an equipment breakdown caused by or resulting from: fire; lightning; windstorm or hail; explosion (except as specifically provided in K.1.c. above); smoke; aircraft or vehicles; riot or civil commotion; vandalism; sprinkler leakage; falling objects; weight of snow, ice or sleet; freezing; collapse; flood or earth movement.
 - c. With respect to Business Interruption, Loss of Rents, Extra Expense and Service Interruption coverages, GIRMA shall also not be liable for:
 1. loss caused by the Named Member's failure to use due diligence and dispatch and all reasonable means to resume business; or
 2. any increase in loss resulting from an agreement between the Named Member and the Named Member's customer or supplier.
 - d. GIRMA shall not be liable for loss, damage or expense caused directly or indirectly by the following, whether or not caused by or resulting from an equipment breakdown: Any mold, fungus, mildew or yeast, including any spores or toxins produced by or emanating from such mold, fungus, mildew or yeast. This includes, but is not limited to, costs arising from clean up, removal, or abatement of such mold, fungus, mildew or yeast, spores or toxins. However, this exclusion does not apply to spoilage of personal property that is perishable goods, to the extent that spoilage is covered under Spoilage coverage.
 - e. GIRMA shall not be liable under this Extension for any loss or damage to animals.
 4. Definitions
 - a. COVERED EQUIPMENT
 1. "Covered equipment" means the property covered:
 - a. that generates, transmits or utilizes energy; or
 - b. which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.
 2. None of the following is covered equipment:
 - a. structure, foundation, cabinet, compartment or air supported structure or building;
 - b. insulating or refractory material;
 - c. sewer piping, underground vessels or piping, or piping forming a part of a sprinkler system;
 - d. water piping other than boiler feedwater piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
 - e. vehicle or any equipment mounted on a vehicle;
 - f. satellite, spacecraft or any equipment mounted on a satellite or spacecraft;
 - g. dragline, excavation or construction equipment; or
 - h. electronic data processing equipment, unless used to control or operate covered equipment. Electronic data processing equipment includes programmable electronic equipment that is used to store, retrieve and process data; and associated peripheral equipment.

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- b. **DATA**
The term "Data" wherever used herein means information or instructions stored in digital code capable of being processed by machinery.
- c. **HAZARDOUS SUBSTANCE**
The term "Hazardous Substance" wherever used herein means any substance that is hazardous to health or has been declared to be hazardous to health by a governmental agency.
- d. **MEDIA**
The term "Media" wherever used herein means material on which data is recorded, such as magnetic tapes, hard disks, optical disks or floppy disks.
- e. **PERISHABLE GOODS**
The term "Perishable Goods" wherever used herein means personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.
- f. **VEHICLE**
The term "Vehicle" wherever used herein means, as respects this Extension only, any machine or apparatus that is used for transportation or moves under its own power. Vehicle includes, but is not limited to, car, truck, bus, trailer, train, aircraft, watercraft, forklift, bulldozer, tractor or harvester.
However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power source will not be considered a vehicle.

5. Conditions in addition to General Coverage Agreement Conditions I (pp 8-9) and Property Coverage Section Conditions II (pp10-11).

- a. **Suspension**
Whenever covered equipment is found to be in, or exposed to, a dangerous condition, any representatives of GIRMA or its reinsurer may immediately suspend coverage against loss from an equipment breakdown to that covered equipment. This can be done by mailing or delivering a written notice of suspension to:
 - 1. the Named Member's last known address; or
 - 2. the address where the covered equipment is located.
 Once suspended in this way, the Named Member's coverage can be reinstated only by an endorsement for that covered equipment. If GIRMA suspends the Named Member's coverage, the Named Member will get a pro rata refund of premium for that covered equipment for the period of suspension. But the suspension will be effective even if GIRMA has not yet made or offered a refund.
- b. **Jurisdictional Inspections**
If any property that is covered equipment under this Extension requires inspection to comply with state or municipal boiler and pressure vessel regulations, GIRMA agrees to perform such inspection on the Named Member's behalf. GIRMA does not warrant that conditions are safe or healthful.
- c. **Environmental, Safety and Efficiency Improvements**
If covered equipment requires replacement due to an equipment breakdown, GIRMA agrees to pay the Named Member's additional cost to replace with equipment that is better for the environment, safer or more efficient than the equipment being replaced. However, GIRMA will not pay more than 125% of what the cost would have been to repair or replace with like kind and quality. This condition does not increase any of the applicable limits. This condition does not apply to any property to which actual cash value applies.

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CASUALTY COVERAGE SECTION**I. GENERAL LIABILITY and LAW ENFORCEMENT LIABILITY**

Rev 5/21 A. COVERAGE AGREEMENT

- Rev 5/20 1. GIRMA hereby agrees, subject to the definitions, exclusions, limitations, terms and conditions herein mentioned, to pay on behalf of the Member all sums which the Member becomes legally obligated to pay as Money Damages because of Bodily Injury, Property Damage or Personal Injury to which this Coverage Section applies, including Bodily Injury, Property Damage or Personal Injury arising from Law Enforcement Activities, Incidental Malpractice, Host Liquor Activities, Products/Completed Operations Hazard, or Unmanned Aircraft Systems Activities.
2. This coverage applies to Bodily Injury, Property Damage and Personal Injury only if:
- The Bodily Injury, Property Damage or Personal Injury is caused by an Occurrence that takes place in the Coverage Territory; and
 - The Bodily Injury, Property Damage or Personal Injury occurs during the Coverage Agreement Period.
3. All Bodily Injury, Property Damage or Personal Injury caused by the same Occurrence will be deemed to occur when the first part of such Bodily Injury, Property Damage or Personal Injury occurs.
4. Notwithstanding the Agreements above, GIRMA shall not be liable to pay on behalf of the Member any sum which the Member shall be obligated to pay if a judgment or final adjudication in any action brought against the Member shall be based on a determination that acts of fraud or dishonesty were committed by the Member.

Rev 5/21 B. EXCLUSIONS

In addition to General Coverage Agreement Exclusions I (General Exclusions Applicable to the Entire Coverage Agreement) (p3), and Casualty Coverage Agreement Exclusions III (General Exclusions Applicable to the Casualty Coverage Sections) (pp6-7), this Coverage Section does not provide coverage or apply:

- to any claim arising out of or in any way connected with damages, whether direct or consequential, or for any cause of action which is covered under any other Section or Subsection of this Coverage Agreement.
- Rev 5/21 to any claim arising out of or in any way connected with Bodily Injury or Property Damage reasonably expected or intended from the standpoint of the Member; however, this exclusion does not apply:
 - to Bodily Injury, Property Damage or other injury resulting from the use of reasonable force to protect persons or property; or,
 - to corporal punishment of any student or pupil administered by or at the direction of any Member in accordance with written guidelines established by the Named Member;
- Rev 5/21 to any claim arising out of or in any way connected with Personal Injury caused by or at the direction of the Member with the knowledge that the act would violate the rights of another and would cause Personal Injury.
- Rev 5/21 except with respect to operations performed by independent contractors, to any claim arising out of or in any way connected with the ownership, maintenance or use, including loading or unloading of watercraft over twenty-six (26) feet in length; this exclusion applies even if the claim against any Member alleges negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that Member, if the Occurrence which caused the Bodily Injury or Property Damage involved the ownership, maintenance, use or entrustment to others of any watercraft;
- Rev 5/21 to any claim arising out of or in any way connected with damage to or destruction of property owned, rented or occupied by the Member, including any costs or expenses incurred by the Named Member or any other person, organization or entity, for repair, replacement, enhancement, restoration or maintenance of such property for any reason, including prevention of injury to a person or damage to another's property;
- Rev 5/21 to any claim arising out of or in any way connected with the withdrawal, inspection, repair, replacement or loss of use of the Named Member's Products or the Named Member's Work completed by or on behalf of the Named Member or of any property of which such products or work form a part, if such products, work or property are withdrawn from the market or from use because of any known or suspected defect or deficiency, inadequacy or dangerous condition therein;

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- Rev 5/21 7. to any claim arising out of or in any way connected with any obligation for which the Named Member may be held liable under any, unemployment compensation law, disability benefits law, any Federal or State workers' compensation and or employers' liability act or law including but not limited to the Jones Act, United States Longshore and Harbor Workers' Compensation Act (LHWCA) and the Federal Employees Liability Act (FELA) or any similar law;
- Rev 5/21 8. any claim arising out of or in any way connected to to Bodily Injury to any employee of the Member or the spouse, child, parent, brother or sister of any such employee as a consequence of Bodily Injury to the employee; this exclusion applies whether the member may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury;
- Rev 5/21 9. to any claim arising out of or in any way connected with the ownership, maintenance or use of an Automobile as defined in Casualty Coverage Section II.D.; this exclusion applies even if the claim against any Member alleges negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that Member, if the Occurrence which caused the Bodily Injury or Property Damage involved the ownership, maintenance, use or entrustment to others of any Automobile.
- Rev 5/21 10. to any claim arising out of or in any way connected with any investigatory, disciplinary or criminal proceedings against an individual Member or Named Member except that GIRMA may at its own option associate counsel in the defense of any such investigatory, administrative or disciplinary proceeding. Should GIRMA elect to associate counsel, such elections shall not constitute a waiver or estoppel of any rights GIRMA may have pursuant to the terms, conditions, exclusions and limitations of this Coverage Agreement; including but not limited to the right to deny coverage of any claim or to discontinue the association of counsel in the defense of any such proceeding;
- Rev 5/21 11. to any claim arising out of or in any way connected with any dishonest, fraudulent or criminal act;
- Rev 5/21 12. to any claim arising out of or in any way connected with breach of contract.
- Rev 5/21 13. to any claim brought by one Member against another Member.
- Rev 5/21 14. to any claim based upon or attributable to a Member's gaining in fact any personal profit or advantage to which the Member was not legally entitled including remuneration paid in violation of law as determined by the courts.
- Rev 5/19 15. to any claim arising out or in any way connected with of the ownership, operation, maintenance, use, or entrustment of any Inflatable Amusement Device.
- Rev 5/21 16. to any claim arising out of or in any way connected with any Bodily Injury, Property Damage or Personal Injury arising out of any Occurrence that any of the following persons knew about before the first date GIRMA has continuously provided this or similar coverage to the Named Member:
- c. any of the Member's elected or appointed officials, executive officers or directors;
 - d. any risk manager, or any leader of the Member's legal, risk management or other department that is responsible for insurance matters.
- A person will be deemed to know about an Occurrence at the earliest time the person:
- a. reports all or any part of the Occurrence to GIRMA or an insurer;
 - b. receives a written or verbal Claim for Money Damages because of the Occurrence; or
 - c. Becomes aware by any other means that all, or any part of, the Occurrence has occurred.
- Rev 5/21 17. any claim arising out of or in any way connected with Property Damage to the Named Member's Products arising out of it or any part of it;
- Rev 5/21 18. any claim arising out of or in any way connected with Property Damage to the Named Member's Work arising out of it or any part of it and included in the Products/Complete Operations Hazard; this exclusion does not apply if the damaged work or the work out of which the damage arises was performed on the Named Member's behalf by a subcontractor.

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- Rev 5/21 19. any claim arising out of or in any way connected with Personal Injury arising out of oral or written publication, in any manner, of material, if done by or at the direction of the Member with knowledge of its falsity;
- Rev 5/21 20. any claim arising out of or in any way connected with Personal Injury arising out oral or written publication, in any manner, of material whose first publication took place before the beginning of the Coverage Agreement Period;
- Rev 5/21 21. any claim arising out of or in any way connected with Personal Injury arising out of the failure of goods, products or services to conform with any statement of quality or performance;
- Rev 5/21 22. any claim arising out of or in any way connected with Personal Injury arising out of the wrong description of the price of goods, products or services;
- Rev 5/21 23. any claim arising out of or in any way connected with Bodily Injury, Property Damage or Personal Injury arising out of any action or omission that violates or is alleged to violate:
- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
 - b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
 - c. The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transactions Act (FACTA); or
 - d. Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits, or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.
- Rev 5/23 24. to any claim arising out of or in any way connected to complete or partial failure of a dam that has either (1) not been inspected in accordance with requirements of local, state, or federal law at the time the loss occurs or (2) for which the Member has failed to take necessary remedial measures identified in such required inspections.

C. DEFINITIONS

- 1. **HOST LIQUOR ACTIVITIES**
The term "Host Liquor Activities" wherever used herein means indemnification for the Named Member's liability for the sale or distribution of alcoholic beverage by reason of any Local, State or Federal liquor control laws in force at the time of the occurrence (as defined herein) and includes indemnity for loss of means to support.
- 2. **INCIDENTAL MALPRACTICE**
The term "Incidental Malpractice" means emergency professional medical services rendered or which should have been rendered to any person or persons (other than employees of the Named Member injured during the course of their employment) by any duly qualified medical practitioner, nurse or technician employed by or acting on behalf of the Named Member. Emergency professional medical services does include services of a school nurse.
- Rev 5/19 3. **INFLATABLE AMUSEMENT DEVICE**
The term "Inflatable Amusement Device" means a flexible structure that relies on air pressure to maintain its shape and which is designed for uses that may include but are not limited to bouncing, sliding, climbing, or interactive play. Examples include but are not limited to inflatable sports games, bounces, land slides, water slides, pool games, tunnels or mazes, moonwalks, or advertising devices.
- Rev 5/21 4. **LAW ENFORCEMENT ACTIVITIES**
The term "Law Enforcement Activities" wherever used herein means indemnification for the Named Member's liability for operations or activities engaged in or conducted in furtherance of the obligation to provide law enforcement services. This includes operations or activities which arise out of the ownership, maintenance or use of premises designated for these operations and activities, as well as all operations and activities necessary and incidental thereto, including the transportation and incarceration of prisoners.
- Rev 5/21 5. **NAMED MEMBER'S PRODUCTS**

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The term "Named Member's Products" means goods or products manufactured, sold, handled, distributed, or disposed of by the Named Member, including but not limited to water, gas, electricity, fuel or cable television provided by the Named Member.

"Named Member's Products" includes:

- a. warranties or representations made at any time with respect to the fitness, quality, durability, or performance of products;
- b. containers (other than vehicles), materials, parts, or equipment furnished in connection with such products; and
- c. providing or failure to provide warnings or instructions.

"Named Member's Products" does not include:

- a. vending machines or other property that is rented to or placed for the use of others, but not sold; or
- b. real property.

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6. NAMED MEMBER'S WORK

The term "Named Member's Work" means:

- a. work or operations performed by or on behalf of the Named Member;
- b. materials, parts, and equipment supplied for such work or operations;
- c. written warranties or representations made at any time regarding quality, fitness, durability, or performance of any of the foregoing; and
- d. providing or failing to provide warnings or instructions.

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7. PRODUCTS/COMPLETED OPERATIONS HAZARD

- b. The term "Products/Completed Operations Hazard" means: a. Bodily Injury or Property Damage occurring away from premises the Named Member owns or rents and arising out of the Named Member's Products after physical possession of the Named Member's Products has been relinquished to others; Bodily Injury or Property Damage occurring away from premises the Named Member owns or rents and arising out of the Named Member's Work. It does not include work that has not been completed or that has not been abandoned.

The Named Member's Work is deemed completed at the earliest of the following times:

- a. when all work specified in the Named Member's contract has been done;
- b. when all your work to be done at a job site has been completed if the Named Member's contract includes work at more than one site; or
- c. when the Named Member's Work at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same job site.

Work which requires further service, maintenance, correction, repair, or replacement because of defect or deficiency, but which is otherwise complete, shall be deemed completed.

"Products/Completed Operations Hazard" does not include Bodily Injury or Property Damage arising out of:

- a. the transportation of property, unless the Bodily Injury or Property Damage arises out of a condition in or on a vehicle, created by loading or unloading; or

the presence of tools, uninstalled equipment, or abandoned or unused materials.

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8. UNMANNED AIRCRAFT SYSTEMS ACTIVITIES

Rev 5/21

The term "Unmanned Aircraft Systems Activities" means ownership, maintenance, or use of an unmanned aircraft system operated in compliance with 14 C.F.R. Part 107. Coverage for Unmanned Systems Activities is subject to an annual Aggregate Limit of Liability \$50,000.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

II. AUTOMOBILE LIABILITY

Rev 5/21

A. COVERAGE AGREEMENT

1. GIRMA hereby agrees, subject to the definitions, exclusions, limitations, terms and conditions hereunder mentioned to pay as Money Damages because of Bodily Injury or Property Damage to which this Coverage Section applies, and resulting from the ownership, maintenance or use including the Loading or Unloading of a Covered Automobile.
2. This coverage applies only to Bodily Injury and Property Damage only if:
 - a. The Bodily Injury or Property Damage is caused by an Occurrence that takes place in the Coverage Territory; and
 - b. The Bodily Injury or Property Damage occurs during the Coverage Agreement Period.
3. All Bodily Injury or Property Damage caused by the same Occurrence will be deemed to occur when the first part of such Bodily Injury or Property Damage occurs.
4. While the Covered Automobile is away from the state where it is licensed, GIRMA will provide the minimum amounts and types of other coverages, such as No-Fault, required of out-of-state vehicles by the jurisdiction where the Covered Automobile is being used. GIRMA will not pay anyone more than once for the same elements of loss because of these extensions.

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B. EXCLUSIONS

In addition to General Coverage Agreement Exclusions I (General Exclusions Applicable to the Entire Coverage Agreement) (p3), and General Coverage Exclusions III (General Exclusions Applicable to the Casualty Coverage Sections) (pp6-7), this Coverage Section does not provide coverage for or apply:

1. to any claim arising out of or in any way connected with Bodily Injury or Property Damage expected or intended from the standpoint of the Member; however, this exclusion does not apply to Bodily Injury or Property Damage resulting from the use of reasonable force to protect persons or property;
2. to any claim arising out of or in any way connected with damages, whether direct or consequential, or for any cause of action which is covered under any other Section or Subsection of this Coverage Agreement;
3. to any claim arising out of or in any way connected with Bodily Injury or Property Damage resulting from the movement of property by a mechanical device (other than a hand truck) not attached to a Covered Automobile;
4. to any claim arising out of or in any way connected with Bodily Injury to an employee of the Named Member arising out of and in the course of employment by the Named Member or the spouse, child, parent, brother or sister of any such employee as a consequence of Bodily Injury to the employee; this exclusions applies whether the Member may be liable as an employer or in any other capacity and to any obligation to share damages with or repay someone else who must pay damages because of the injury;
5. to any claim arising out of or in any way connected with Property Damage to:
 - a. property the Member owns or rents; or,
 - b. property loaned to the Member, being transported by the Member, or in the Member's care, custody or control except property loaned to the Member by another political entity;
6. to any claim arising out of or in any way connected with Bodily Injury or Property Damage arising out of the Named Member's Work after that work has been completed or abandoned.

In this exclusion, the term "Named Member's Work" means:

- a. work or operations performed by or on behalf of the Named Member;
- b. materials, parts, and equipment supplied for such work or operations;
- c. written warranties or representations made at any time regarding quality, fitness, durability, or performance of any of the foregoing; and

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

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MEMBER COVERAGE AGREEMENT

- d. providing or failing to provide warnings or instructions.

The Named Member's Work is deemed completed at the earliest of the following times:

- a. when all work specified in the Named Member's contract has been done;
- b. when all your work to be done at a job site has been completed if the Named Member's contract includes work at more than one site; or
- c. when the Named Member's Work at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same job site.

Work which requires further service, maintenance, correction, repair, or replacement because of defect or deficiency, but which is otherwise complete, shall be deemed completed.

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C. MEMBER

In addition to those who are a "Member" as set forth in Declarations VII. (p2) and covered under this Section, anyone else is also covered as a "Member" under this Coverage Section while using with the Named Member's permission a Covered Automobile that the Member owns, leases, rents, hire or borrows, except:

1. the owner of a hired Automobile or a member of his or her household;
2. someone using a Covered Automobile while he or she is working in a business of selling, servicing, repairing or parking Automobiles unless that business is that of the Member;
3. anyone other than the Member's employees, a lessee or borrower or any of their employees while moving property to or from a Covered Automobile;
4. any person using a Covered Automobile in connection with operations other than operations performed by or on behalf of the Named Member and who has insurance or other liability coverage arising in connection with such use.

Anyone liable for the conduct of a Member described above is also a Member under this Coverage Section but only to the extent of that liability and only to the extent that there is not insurance coverage as described in C.4. of this Coverage Section. However, the owner or anyone else from whom the Member hires or borrows a Covered Automobile is a covered Member only if Coverage Automobile is a trailer connected to a Covered Automobile owned by the Named Member.

D. DEFINITIONS**1. AUTOMOBILE**

The term "Automobile" wherever used herein shall mean any land motor vehicle, trailer or semi-trailer, including its equipment and any other equipment permanently attached thereto, designed and licensed for highway use. The word "trailer" shall include semi-trailer.

2. COVERED AUTOMOBILE

The term "Covered Automobile" wherever used herein shall mean:

- a. any Automobile shown on the schedule in the Named Member Application on file with GIRMA;
- b. owned Automobiles that the Named Member acquires during the Coverage Agreement period.
- c. Hired Automobiles and Non-owned Automobiles.

3. HIRED AUTOMOBILE

The term "Hired Automobile" means only those Automobiles the Named Member leases, hires, rents or borrows. This does not include any Automobile leased, hired, rented or borrowed from any of the Named Member's employees or volunteers or members of their Households.

4. LOADING AND UNLOADING

The term "Loading and Unloading" wherever used herein shall mean the handling of property:

- a. after it is moved from the place where it is accepted for movement into or onto a Covered Automobile;
- b. while it is in or on a Covered Automobile; or;
- c. while it is being moved from a Covered Automobile to the place where it is finally delivered; but Loading or Unloading does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to aircraft, watercraft or a Covered Automobile.

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5. NON-OWNED AUTOMOBILE

The term "Non-owned Automobile" wherever used herein shall mean an Automobile the Named Member does not own, lease, hire, rent or borrow that is used in connection with the Named Member's operations with the Named Member's permission.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

III. UNINSURED MOTORISTS

Rev 5/21

A. COVERAGE AGREEMENT

GIRMA hereby agrees, subject to the limitations, terms and conditions hereunder mentioned, to pay all sums in excess of the applicable deductible selected by the Named Member and shown in the Declarations that the Member is legally entitled to recover as compensatory damages from the owner or driver of an Uninsured Motor Vehicle, subject to the limits of liability stated in Casualty Coverage Section III.E below. Damages must result from Bodily Injury sustained by the Member or from Property Damage caused by an accident. The owner's or driver's liability for these damages must result from the ownership, maintenance or use of the Uninsured Motor Vehicle.

GIRMA will pay under this coverage only after the limits of liability under any applicable liability bonds or policies have been exhausted by payment of judgments or settlements. However, if a settlement is made between a Member and the insurer of an underinsured motor vehicle described in paragraph d. of the definition of Uninsured Motor Vehicle in Casualty Section III.B.3 below for an amount that does not exhaust the limits of liability under any applicable liability bonds or policies, GIRMA will not pay under this coverage unless GIRMA previously consented to such settlement in writing.

Any default judgment arising out of a suit for damages against anyone alleged to be legally responsible is not binding on GIRMA

B. DEFINITIONS**1. OCCUPYING**

The term "Occupying" wherever used herein shall mean in, upon, getting in, on, out or off.

2. PROPERTY DAMAGE

The term "Property Damage" wherever used herein shall mean injury or destruction to the property of a Member.

3. UNINSURED MOTOR VEHICLE

The term "Uninsured Motor Vehicle" wherever used herein shall mean a land vehicle or trailer:

- a. For which neither a liability bond or policy or Coverage Agreement nor cash or securities is on file with the Georgia Commissioner of Public Safety at the time of the accident;
- b. For which an insuring or bonding company legally denies coverage or becomes insolvent;
- c. Which is a hit-run vehicle and neither the driver nor the owner can be identified. This vehicle must either:
 - i. hit a Member, Covered Automobile or a vehicle which a Member is Occupying; or
 - ii. cause Bodily Injury or Property Damage with no physical contact with the Member, covered Automobile or a vehicle which the Member is Occupying at the time of the accident, provided the facts of the accident can be confirmed by an eyewitness to the Accident other than the Member making the claim; or
- d. That is an underinsured motor vehicle. An underinsured motor vehicle is a land motor vehicle or trailer for which the sum of the limits of all available liability bonds or policies applicable at the time of the accident and the limits of the uninsured motorist's coverage, if any, under the Member's own liability insurance coverages—i.e., the maximum limits of coverage—either:
 - i. is less than the sum of the limits of insurance for Uninsured Motorists Coverage applicable to the Member under this Coverage Agreement; or
 - ii. has been reduced, by reason of payment of other claims or otherwise, below the maximum limits of coverage

However, an "Uninsured Motor Vehicle" does not include any vehicle designed for use mainly off public roads while not on public roads.

C. MEMBER

It is agreed that, notwithstanding Declarations VII, for purposes of this coverage "Member" is defined as:

- (1) Any person occupying a Covered Automobile or a temporary substitute when the Covered Automobile is out of service because of its breakdown, repair, servicing, loss, or destruction.
- (2) Any person for damages he or she is entitled to recover because of Bodily Injury sustained by another Member.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

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MEMBER COVERAGE AGREEMENT

(3) The Named Member for Property Damage only.

D. EXCLUSIONS

This coverage does not apply to:

1. Any claim settled without GIRMA's consent. However, this exclusion does not apply to a settlement made with the insurer of an underinsured motor vehicle as described in Paragraph d. of the definition of Uninsured Motor Vehicle in Casualty Section III.B.3 above if settlement is made in accordance with GA CODE ANN. Section 33-24-41.1 and the payment of such settlement exhausts the limits of the applicable liability bond or policies.
2. The direct or indirect benefit of any insurer or self-insurer under any workers' compensation, disability benefits or similar law.
3. The direct or indirect benefit of any insurer of property
4. Anyone using a vehicle without a reasonable belief of entitlement to do so
5. Punitive or exemplary damages
6. Property Damage for which the Member has been compensated by other property or physical damage coverage.

E. LIMITS

1. Regardless of the number of Members, contributions paid, claims made, Covered Automobiles or number of vehicles involved in an accident, the limits for all damages resulting from any one accident shall be equal to the per Occurrence limit stated in Declarations II.B.2 Uninsured Motorists Limit.
2. No one will be entitled to receive duplicate payments for any element of loss for which payment has been made by or for anyone who is legally responsible.
3. GIRMA will not pay for any element of loss if the person is entitled to receive payment for the same element of loss under any workers' compensation law, exclusive of non-occupational disability benefits.
4. Limits of Coverage provided under this Coverage Agreement shall be in addition to the limits of coverage provided by all available liability bonds or policies and the limits of uninsured motorists coverage, if any, provided by the Member's own liability insurance coverages. However, if Reduced-By UM Coverage is selected on the applicable Uninsured Motorist Election form, which by reference is incorporated into the Named Member's application for coverage, and is in effect as of the date of the accident, the Limit under this coverage will be reduced by all sums paid or payable by or for anyone who is legally responsible, including but not limited to all sums paid under Casualty Coverage Section II (Automobile Liability) of this Coverage Agreement.
5. GIRMA will not pay for any Property Damage that is paid or payable under Property Coverage Section I.C.2 (Automobile Physical Damage and Mobile Equipment).

F. SPECIFIC CONDITIONS

The GENERAL COVERAGE CONDITIONS SECTION N. OTHER COVERAGE OR INSURANCE in this Coverage Agreement is deleted in its entirety for Uninsured Motorists Coverage and is replaced with the following:

If there is other applicable coverage available under more than one policy or agreement, the following priorities of recovery apply:

First All policies affording Uninsured Motorists Coverage to the Member under his or her personal automobile insurance policy.

Second The Uninsured Motorists Coverage applicable to the vehicle the Member was Occupying at the time of the Accident

GIRMA will only pay its share, which is the proportion that the Limit under this coverage bears to the total of the limits of all Coverage Forms and Agreements covering on the same basis.

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COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

IV. ERRORS AND OMISSIONS LIABILITY

Rev 5/21 A. COVERAGE AGREEMENT

1. GIRMA hereby agrees, subject to the definitions, exclusions, limitations, terms and conditions herein mentioned to pay on behalf of the Named Member all Money Damages the Named Member becomes legally obligated to pay as Money Damages because of a Wrongful Act to which this Coverage Section applies.
2. This coverage applies to a Wrongful Act only if:
 - a. The Wrongful Act takes place in the Coverage Territory; and
 - b. The Wrongful Act is committed during the Coverage Agreement Period
3. A Wrongful Act will be deemed to have been committed when the first part of the Wrongful Act is committed.

Rev 5/21 B. EXCLUSIONS

In addition to General Coverage Agreement Exclusions I (General Exclusions Applicable to the Entire Coverage Agreement) (p3), and General Coverage Exclusions III (General Exclusions Applicable to the Casualty Coverage Sections) (pp-6-7), this Coverage Section does not provide coverage for or apply:

- Rev 5/21 1. to any claim arising out of or in any way connected with damages, whether direct or consequential, or for any cause of action which is covered under any other Section or Subsection of this Coverage Agreement, including any claim arising from or in any way connected with Law Enforcement Activities as defined in Casualty Coverage Section I.C.4 (p33). ;
- Rev 5/21 2. to any claim based upon or attributable to the rendering or failure to render any opinion, treatment, consultation or service if such opinion, treatment, consultation or service was rendered or failed to have been rendered while the Member was engaged in any activity for which the Member received compensation from any source other than the Named Member or in which the Member engaged on behalf any person or entity other than the Named Member;
- Rev 5/21 3. to any claim arising out of or in any way connected with estimates of probable costs or cost estimates being exceeded or for faulty preparation of bid specifications or plans;
- Rev 5/21 4. to any claim arising out of or in any way connected with or for injury to, destruction or disappearance of any tangible property (including money and securities) or the loss of use thereof;
- Rev 5/21 5. to any claim for which the Named Member is entitled to indemnity or payment by reason of having given notice of any circumstances which might give rise to a claim under any policy of insurance or similar agreement, the term of which has commenced prior to the inception date of this Coverage Agreement;
- Rev 5/21 6. to any claim arising out of or in any way connected with a Member's activities in a fiduciary capacity or as a trustee or in any similar capacity, including duties, responsibilities or obligations in connection with Employee Benefit Programs (as defined in the Casualty Coverage Section V.C.2 (p. 42);
- Rev 5/21 7. to any claim for Bodily Injury or Property Damage;
- Rev 5/21 8. to any claim arising out of or in any way connected with breach of contract; however, this exclusion does not apply to employment contracts;
- Rev 5/21 9. to any claim based upon or attributable to an act or omission admitted by the Member or determined by a final legal determination to be:
 - a. a malicious act, defined as a Wrongful Act done willfully or purposely to cause injury, loss, or damage to another;
 - b. a criminal, dishonest, bad faith or fraudulent act or omission; or
 - c. a deliberate violation of any federal, state or local law.

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COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

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- Rev 5/21 10. to any claim rising out of or in any way connected to a policy adopted by the governing body of the Named Member, through ordinance or otherwise, with the purpose of eliminating, or regulating to the extent that it has the practical effect of eliminating, a type of business or profession. However, this exclusion does not apply if existing businesses or professions are exempt from application (i.e., grandfathered) of the adopted policy;
- Rev 5/21 11. to any claim based upon, attributable to, or seeking the return of any profit, advantage, gain or remuneration to which the Member is not legally entitled;
- Rev 5/21 12. to any claim arising out of or in any way connected with any debt financing, including but not limited to bonds, notes, debentures and guarantees of debt;
- Rev 5/21 13. to any claim arising out of or in any way connected with the improper administration, assessment, collection or misappropriation of taxes, fees, costs or charges, loss relating to any tax obligation or seeking the refund or payment of taxes, fees, costs or charges;
- Rev 5/21 14. to any claim arising out of or in any way connected with procurement, construction or architect or engineer contracts;
- Rev 5/21 15. to any claim arising out of or in any way connected with the failure or omission to effect or maintain insurance or similar coverage, including the proper amount, form or provision of such coverage;
- Rev 5/21 16. to any claim arising out of or in any way connected with the rendering or failure to render professional services by a member of the medical profession.
- Rev 5/21 In addition to General Coverage Exclusions I (General Exclusions Applicable to the Entire Coverage Agreement) (p3), and General Coverage Exclusions III (General Exclusions Applicable to Casualty Coverage Sections) (pp6-7), with respect to any Employment Practices Wrongful Act, this Coverage Section does not provide coverage for or apply:
1. to any claim for salaries, wages or employment benefits brought by an employee of a Named Member;
 2. to any cost of complying with physical modifications to premises or any changes in the Member's operations mandated by the Americans with Disabilities Act or any similar federal, state or local law; however, GIRMA will defend a claim arising in connection with any such law but will have no obligations to pay any such costs;
 3. to any claim arising out of or in any way connected with any obligation for which the Member may be held liable under any, unemployment compensation law, disability benefits law, any Federal or State workers' compensation and or employers' liability act or law including but not limited to the Jones Act, United States Longshore and Harbor Workers' Compensation Act (LHWCA) and the Federal Employees Liability Act (FELA) or any similar law;
 4. to any claim arising out of or in any way connected with any lockout, strike, picket lines, related worker replacement or other similar actions resulting from labor disputes or labor negotiations or any protections contained within the National Labor Relations Act or any similar law;
 5. to any claim arising out of or in any way connected with improper payroll deductions or any claim for unpaid wages or overtime pay for hours actually worked or labor actually performed by any employee or any violation of any federal state or local law with respect to the same topic.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

V. EMPLOYEE BENEFIT LIABILITY**A. COVERAGE AGREEMENT**

1. GIRMA hereby agrees, subject to the definitions, exclusions, limitations, terms and conditions herein mentioned, to pay on behalf of the Member all sums which the Member shall become legally obligated to pay as Money Damages sustained by an employee, prospective employee, former employee or the beneficiaries or legal representatives thereof caused by any negligent act, error or omission of the Member or any other person for whose acts the Member is legally liable in the administration of the Named Member's Employee Benefit Programs as defined herein occurring within the Coverage Agreement Period.
2. A negligent act, error or omission will be deemed to have been committed when the first part of the act, error or omission occurs.

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B. EXCLUSIONS

In addition to General Coverage Agreement Exclusions I (General Exclusions Applicable to the Entire Coverage Agreement) (p3), and General Coverage Exclusions III (General Exclusions Applicable to the Casualty Coverage Sections) (pp6-7), this Coverage Section does not provide coverage for or apply:

1. to any claim arising out of or in any way connected with damages, whether direct or consequential, or for any cause of action which is covered under any other Section or Subsection of this Coverage Agreement;
2. to any claim arising out of or in any way connected with any dishonest, fraudulent, criminal or malicious act, libel, slander, or discrimination;
3. to any claim arising out of or in any way connected with failure of performance of any Employee Benefit Program, including any failure of performance of contract by any insurer;
4. to any claim arising out of or in any way connected with the Member's failure to comply with any law concerning Workers' Compensation, unemployment insurance, Social Security, Medicare or disability benefits or similar law;
5. to any claim arising out of or in any way connected with:
 - a. failure of an investment to perform as represented by a Member;
 - b. advice given by any Member to participate or not to participate in stock subscription plans or any other plan included in the Employee Benefit Programs;
 - c. the investment or non-investment of funds;
 - d. errors in providing information on past performance of investments;
 - e. legal advice, investment advice, tax advice or accounting advice given to an employee or employee's beneficiary or estate;
6. to any claim arising out of or in any way connected with the Employee Retirement Income Security Act (ERISA) of 1974, Public Law 93-406 (commonly referred to as the Pension Reform Act of 1974) and amendments thereto, or similar provisions of any Federal, State or Local Statutory or Common Law.
7. to any claim arising out of or in any way connected with the Member's administering or providing services to, for, or on behalf of an Employee Benefit Program other than that of the Named Member;
8. to any claim arising out of or in any way connected with breach of contract.
9. to any claim arising out of or in any way connected with the insufficiency of funds to meet any obligations under any Employee Benefit Program;
10. to any claim arising out of or in any way connected with an Employment Practices Wrongful Act;
11. to any claim arising out of or in any way connected with benefits to the extent such benefits are available, with reasonable effort and cooperation of the Member, from the applicable funds accrued or collectible insurance;

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MEMBER COVERAGE AGREEMENT

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| Rev 5/21 | 12. to any claim arising out of or in any way connected with Bodily Injury, Property Damage or Personal Injury; |
| Rev 5/21 | 13. to any claim arising out of or in any way connected with the purchase, sale, issuance or distribution or offer to purchase or sell any debt or equity securities or other investments of any type, including but not limited to any debt financing engaged in by the Member; |
| Rev 5/21 | 14. to any claim arising out of or in any way connected with any taxes, fines or penalties, including those imposed under any provision of the Internal Revenue Code of 1986, as amended, or any similar state or local law or any loss, cost or expense arising out of the imposition of such taxes, fines or penalties; |
| Rev 5/21 | 15. to any claim arising out of or in any connected with the establishment, modification or termination of any Employee Benefit Program, including any decision regarding the benefits to be included in any Employee Benefit Program or eligibility of any person or similarly situated persons for any Employee Benefit Program or any modification or termination of any such benefits or eligibility. |

C. DEFINITIONS

1. Administration

The unqualified word "Administration" wherever used shall mean:

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|----------|---|
| Rev 5/21 | <ul style="list-style-type: none"> a. effecting enrollment, continuation, termination or cancellation of employees under the Employee Benefit Programs, provided all such acts are authorized by the Named Member; b. providing information to employees, including their dependents and beneficiaries, with respect to the Employee Benefit Programs, including with respect to eligibility and scope of any Employee Benefit Program; c. handling of records in connection with the Employee Benefit Programs; d. interpreting the Employee Benefit Programs. |
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2. Employee Benefit Programs

The term "Employee Benefit Programs" shall mean group life or health insurance, profit sharing, pension plans, deferred compensation programs, employee stock subscription plans, cafeteria plans (Section 125 of the Internal Revenue Code), Workers' Compensation, Unemployment Insurance, Social Security, disability Benefits Insurance and travel, savings or vacation plans.

3. Occurrence

With respect to Employee Benefits Liability, the term "Occurrence" shall mean any negligent act, error or omission in the administration of the Named Member's Employee Benefit Programs happening during the Coverage Agreement. For purposes of determining the applicable Limit of Liability, all damages caused by or involving one or more persons whether the result of a single negligent act, error, or omission or a series of related negligent acts, errors or omissions shall be considered one Occurrence.

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COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

CRIME COVERAGE SECTION**I. COVERAGE AGREEMENTS****A. COMMERCIAL BLANKET BOND**

GIRMA agrees subject to the definitions, limitations, exclusions, terms and conditions set forth herein, to indemnify the Named Member against any loss of money or other property real or personal (including that part of any inventory shortage which the Named Member shall conclusively prove is caused by the dishonesty of any Employee or Employees) belonging to the Named Member or in which the Named Member has a pecuniary interest, or for which the Named Member is legally liable, or held by the Named Member in any capacity, whether the Named Member is legally liable therefore or not, which the Named Member shall during the term of this Coverage sustain or discover that they have sustained through larceny, theft embezzlement, forgery, misappropriation, wrongful abstraction, willful misapplication or other fraudulent or dishonest acts or acts committed by any one or more of the Employees as defined herein acting alone or in collusion with others. It is further agreed that this Coverage Agreement provides indemnification for each one of the Employees in the minimum amount required by applicable state law or local ordinance, however, provision of the minimum amount required by applicable state law or local ordinance, shall not reduce the total per occurrence limit that would have been available had there been no bonding required by state law or local ordinance. It is further agreed that this coverage will indemnify the Named Member for loss caused to the Named Member through failure of any of the Named Member's Employees, as defined, acting alone or in collusion with others, to perform faithfully his duties (as prescribed by applicable state law or local ordinance), or to account properly for all monies and property received by virtue of his position of employment.

B. DEPOSITOR'S FORGERY

GIRMA agrees, subject to the definitions, limitations, exclusions, terms and conditions of the Coverage Agreement, to indemnify for loss which the Named Member shall sustain through forgery or alteration of, on or in any check, draft, promissory note, bill or exchange, or similar written promise, order or direction to pay a sum certain in money, made or drawn by or drawn upon the Named Member, or purporting to have been made or drawn as hereinbefore set forth, including:

1. any check or draft made or drawn in the name of the Named Member, payable to a fictitious payee and endorsed in the name of such fictitious payee;
2. any check or draft procured in a face-to-face transaction with the Named Member, or with one acting as agent of the Named Member, by anyone impersonating another and made or drawn payable to the one so impersonated and endorsed by anyone other than the one so impersonated; and
3. any payroll check, payroll draft or payroll order made or drawn by the Named Member, payable to bearer as well as to a named payee and endorsed by anyone other than the named payee without authority from such payee; whether or not any Extension mentioned in (1), (2), (3) be a forgery within the law of the place controlling the construction thereof.

Mechanically reproduced facsimile signatures are treated the same as handwritten signatures.

If the Named Member shall refuse to pay any of the foregoing instruments made or drawn as hereinbefore set forth, alleging that such instruments are forged or altered, and such refusal shall result in suit being brought against the Named Member to enforce such payment and GIRMA shall give its written consent to the defense of such suit, then any reasonable attorney's fees, court costs or similar legal expenses incurred and paid by the Named Member in such defense shall be construed to be a loss under this Coverage Agreement and the liability of GIRMA for such loss shall be in addition to any other liability under this Coverage Agreement.

C. MONEY AND SECURITIES (Coverage Inside Premises)

GIRMA agrees subject to the definitions, limitations, exclusions, terms and conditions of the Coverage Agreement, to indemnify the Named Member for all loss caused by reason of Theft, burglary, robbery, kidnapping, disappearance of or destruction to (other than by fraud of the Member) any Money or Securities which may at all times be or believed by the Member to be in or upon any premises occupied or used by the Member or by any bank, trust company or safe deposit company. Such coverage as is afforded by this Coverage Agreement also applies to deposits within a night depository safe provided by a bank or trust company on its premises for the use of its customers.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

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MEMBER COVERAGE AGREEMENT

D. MONEY AND SECURITIES (Coverage Outside Premises)

GIRMA agrees subject to the limitations, terms and conditions of the Coverage Agreement, to indemnify the Named Member for all loss caused by reason of Theft, robbery, kidnapping, disappearance of or destruction to (other than by fraud of the Member) any Money or Securities while in the custody of the Member anywhere while in transit. The liability of GIRMA shall commence at the moment the person into whose hands the property is entrusted on behalf of the Named Member continuing until delivery thereof at the final destination.

II. EXCLUSIONS**A. With respect solely to the Crime Coverage Section I.B. (p43), I.C. (p43) and I.D. (p44) coverage shall not apply:**

1. to any fraudulent, dishonest or criminal act committed by a Member, whether acting alone or in collusion with others;
2. to forgery committed by one or more Employees as defined under Crime Coverage Section IV.A.1.

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B. The coverage provided in this Section shall not apply to any loss or claim arising out of or in any way connected to Data Breach, Security Breach, or Cyber Extortion Loss.**III. CONDITIONS****A. With respect solely to the Crime Section I.A. (p43) of the Coverage Agreement:**

1. under the discovery of any loss hereunder this Coverage Agreement shall be treated as reinstated so as at all times to continue in force for the sum set forth herein notwithstanding any previous loss for which GIRMA may have paid or be liable to pay hereunder provided however that in no event shall GIRMA be liable to under this Coverage Agreement for an amount greater than the Limit of Liability stated on account of any one Occurrence.
2. in case any reimbursement is obtained or recovery be made by the Named Member on account of any loss of money or securities, or property real and personal covered by this the Agreement, the net amount of such reimbursement of recovery, after deducting the actual cost of obtaining or making the same, shall be applied to reimburse the Named Member in full for that part (if any) of such loss in excess of this Coverage, and the balance (if any), or the entire net reimbursement or recovery if there were no such excess loss, shall be applied to that part of such loss covered by this Coverage Agreement, or if payment shall have been made by GIRMA, to its reimbursement therefore, the Named Member shall execute all necessary papers and render all assistance not pecuniary to secure unto GIRMA the rights provided of in this paragraph. The following shall not be reimbursement of recovery within the meaning of this paragraph:
 - a. suretyship, insurance or reinsurance;
 - b. security or indemnity taken from any source by or for the benefit of the Surety.
3. this Coverage shall be deemed canceled as to any Employee immediately upon discovery by the Named Member of any fraudulent or dishonest act on the part of such employee; or at 12:01 am Local Time as aforesaid upon the Effective Date specified in a written notice served upon the Named Member or sent by registered mail. Such date if the notice be served shall not be less than fifteen (15) days after such service, or if sent by registered mail, not less than twenty (20) days after the date borne by the sender's registry receipt.
4. it is agreed that within the term "Employees" are various Public Officials of the Named Member who by state law or local ordinance are required to be separately bonded.

B. With respect solely to Crime Section I.B. (p43), I.C. (p43) and I.D. (p44) of the Coverage Agreement:

The Member warrants to GIRMA that the Member is free of all claims for losses not discovered within the term of this Coverage Agreement and for losses sustained or acts committed prior to the Effective Date but with the understanding that in the event of:

1. the expiration of this Coverage Agreement by reason of non-renewal, or
2. the termination of this Coverage Agreement in its entirety, as provided in General Condition I.E. (p7), the Named Member shall have twelve (12) calendar months following the date of such expiration or termination in which to discover losses sustained between the Effective Date and the date of such expiration or termination.

C. With respect to Crime Section I.A, (p.43), I.B. (p43), I.C. (p43) and I.D. (p44) of the Coverage Agreement:

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For purposes of applying the applicable Limit of Liability, all loss caused by or involving one or more persons, acting alone or in collusion with others, whether the result of a single act or a series of related acts, shall be considered one "Occurrence."

IV. DEFINITIONS

A. With respect solely to Crime Section I.A. (p43) of the Coverage Agreement:

1. Employee or Employees

The term "Employee" or "Employees" as used in this Coverage Agreement shall be deemed to mean respectively one or more of the natural persons who on the Effective Date of coverage or at any other time during the term of this coverage are in the regular service of the Named Member in the ordinary course of the Named Member's business and who are compensated by salary, wages or commission, and whom the Named Member has a right to govern and direct at all times in the performance of such service, but not to mean brokers, factors, commission merchants, consignees, contractors or other agents or representatives of the same general character.

B. With respect solely to Crime Section I.B. (p43), I.C. (p43) and I.D. (p44) of the Coverage Agreement:

1. COVERAGE

It is understood and agreed that this Coverage Agreement covers Money and Securities of the Named Member or Money and Securities which the Named Member is legally liable or held by it in any capacity, whether or not the Named Member is liable for the loss thereof, if legal proceedings are taken against the Named Member to enforce a claim for Money and Securities so held.

2. EMPLOYEES

The term "Employees" shall mean not only persons compensated by the Named Member but also those directed by the Named Member, and including those independent contractors or services which may be considered as usually performed by Employees of the Named Member.

3. LOSS

The term "Loss" as used in this Coverage Section shall be understood to mean the actual loss sustained by the Named Member, after making deductions for all recoveries and salvages, of Money or Securities, or property real and personal.

4. MONEY

The term "Money" as used in this Coverage Section shall be deemed to mean bank notes, coin, currency, uncanceled and precanceled postage and unused postage in postage meters.

5. SECURITIES

The term "Securities" as used in this Coverage Section shall be deemed to mean all negotiable and non-negotiable instruments or contracts representing either money or other property and includes revenue and other stamps of current use, tokens, and tickets, Federal Food Stamps, express postal and bank money orders, postal notes, debentures, scrip, check, warrants, transfers, coupons, demand and time drafts, bills of exchange, acceptances, promissory notes, certificates of deposits, certificates of stock, bonds, car trust certificates, interim receipts and certificates, warehouse receipts, bills of lading and all other instruments of a similar nature including mortgages upon real estate or upon chattels and upon interest therein and assignments such as mortgages and instruments.

6. THEFT

The term "Theft" shall include "trick and device."

7. CYBER EXTORTION LOSS

"Cyber Extortion Loss" means:

- a. any Extortion Payment that has been made by or on behalf of the Named Member with GIRMA's prior written consent to prevent or terminate an Extortion Threat; and
- b. reasonable and necessary expenses incurred by the Named Member with GIRMA's prior written consent to prevent or respond to and Extortion Threat.

8. DATA BREACH

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"Data Breach" means the theft, loss, or Unauthorized Disclosure of Personally Identifiable Information or Third Party Information that is in the care, custody or control of the Named Member or a third party for whose theft, loss, or Unauthorized Disclosure of Personally Identifiable Information or Third Party Information the Named Member is liable.

9. EXTORTION THREAT

Extortion Threat means a threat to:

- a. alter, destroy, damage, delete or corrupt Data;
- b. perpetrate the Unauthorized Access or Use of Computer Systems;
- c. prevent access to Computer Systems or Data;
- d. steal, misuse or publicly disclose Data, Personally Identifiable Information or Third Party Information;
- e. introduce malicious code into Computer Systems or to third party computer systems from Computer Systems; or
- f. interrupt or suspend Computer Systems;
- g. unless an Extortion Payment is received from or on behalf of the Named Member.

10. SECURITY BREACH

"Security Breach" means a failure of computer security to prevent:

- a. Unauthorized Access or Use of Computer Systems, including Unauthorized Access or Use resulting from the theft of a password from a Computer System or from any Insured;
- b. a denial of service attack affecting Computer Systems;
- c. with respect to coverage under the Liability coverage agreements, a denial of service attack affecting computer systems that are not owned, operated or controlled by an Insured; or
- d. infection of Computer Systems by malicious code or transmission of malicious code from Computer Systems.

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INMATE MEDICAL COVERAGE ENDORSEMENT**A. COVERAGE AGREEMENT**

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This endorsement modifies the Member Coverage Agreement as follows:

GIRMA agrees, subject to the definitions, conditions, and limitations hereof, to indemnify the Named Member for Reasonable and Customary Charges for Eligible Expenses that are Incurred by the Named Member solely as a result of the Named Member's Medical Obligation to an Eligible Inmate in its Custody.

B. DEDUCTIBLE

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\$10,000 (the "Deductible") is the annual amount per Eligible Inmate that is the responsibility of the Named Member. GIRMA will pay any part or all of the Deductible amount of any claim and upon notification of such payment, the Named Member shall promptly reimburse GIRMA for such part of the Deductible as has been paid by GIRMA. If a Deductible amount is changed (e.g., upon May 1 renewal), the change will apply with respect to Dates of Service happening on or after the effective date of the change. The Deductible applies separately to each Eligible Inmate and represents the amount of risk retained by the Named Member.

C. SPECIFIC LIFETIME MAXIMUM AMOUNT

\$250,000 (the "Specific Lifetime Maximum Amount") is the maximum amount GIRMA will pay on behalf of the Named Member with respect to any Eligible Inmate under this and prior or later endorsements issued by GIRMA. The Specific Lifetime Maximum Amount excludes the Deductible. The Specific Lifetime Maximum Amount will not exceed this amount per Eligible Inmate. The amount payable with respect to an Eligible Inmate is also limited by the Aggregate Annual Maximum Amount.

D. AGGREGATE ANNUAL MAXIMUM AMOUNT

\$1,000,000 (the "Aggregate Annual Maximum Amount") is the maximum amount GIRMA will pay on behalf of the Named Member with respect to all Eligible Expenses Incurred within the one year period beginning each May 1 for all Eligible Inmates under this endorsement. The Aggregate Annual Maximum Amount excludes the Deductible for each Eligible Inmate.

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E. DEFINITIONS

1. "Custody" means the state of being controlled, boarded, detained, watched, and/or restrained by a law enforcement officer, employee, or agent of a Named Member by lawful authority or process. This definition includes the process of taking person into custody. If a Named Member has entered into a written agreement under which another local government or political subdivision takes physical custody of an otherwise Eligible Inmate, such entity shall be treated as an agent of the Named Member for purposes of this definition.
2. "Eligible Expenses" means the eligible charges payable under this endorsement. It does not include expenses specifically excluded or limit by Subection G Exclusions or any other policies or endorsements.
3. "Eligible Inmate" means each person who is placed in Custody under the jurisdiction of or controlled by the Named Member; provided, however, Eligible Inmate does not include any person for whom the Named Member is not solely financially responsible. The terms Eligible Inmate includes pre-trial misdemeanants, pre-trial felons, Escapees, and convicted misdemeanants who are in the Custody of the Named Member. The inmate will remain an Eligible Inmate through the date and time Custody ends as designated by the Named Member.
4. "Escapee" is an otherwise Eligible Inmate who voluntarily leaves the Custody of the Named Member without the legal right to do so. An Escapee is deemed to remain in the Custody of the Named Member only if captured within 30 days from the date the escape was discovered.
5. "Incurred" means:

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- a. with respect to medical services or supplies, the date on which the services are rendered or supplies are received by the Eligible inmate; and
 - b. with respect to negotiated medical services or supplies, the date on which the service or supply was initially rendered or used.
6. "Medical Obligation" means the costs required by the State of Georgia pursuant to O.C.G.A. § 42-5-2 to provide medical and hospital care to be Incurred by the Named Member with respect to a natural person.
7. "Medically Necessary" means a service, medicine or supply which is necessary and appropriate for the diagnosis or treatment of an illness or injury based on generally accepted current medical practice. A service, medicine, or supply will not be considered Medically Necessary if it:
- a. Is provided only as a convenience to the patient or provider;
 - b. Is not appropriate for the patient's diagnosis or symptoms; or
 - c. Exceeds (in scope, duration, or intensity) that level of care which is needed to provide safe, adequate, and appropriate diagnosis or treatment.
8. "Reasonable and Customary" means the usual charge made by a group, entity, or person who renders or furnishes covered services, treatments, or supplies; provided the charge is not in excess of the general level of charges made by others who render or furnish the same or similar services, treatments, or supplies to persons:
- a. who reside in the same geographical area (as determined by TPA guidelines); and
 - b. whose illness or injury is comparable in nature and severity.

In determining whether a charge is Reasonable and Customary, one or more of the following factors may be considered:

- i. the level of skill, extent of training, and experience required to perform the procedure or service;
 - ii. the length of time required to perform the procedure or service as compared to the length of time required to perform other similar services;
 - iii. the severity of the nature or illness or injury being treated;
 - iv. the amount charged for the same or comparable services, medicines, or supplies in other parts of the country;
 - v. the cost to the provider of providing the service, medicine, or supply.
9. "Third-Party Administrator" or "TPA" means a firm having a written agreement with GIRMA to process benefits and provide services under this endorsement.

F. EARLY TERMINATION OF COVERAGE

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If, for any reason, Named Member's coverage terminates before the end of the endorsement period:

- 1. all coverage under the endorsement will end immediately; and
- 2. the Deductible and the Specific Lifetime Maximum Amount will continue to apply and will not be reduced. The Aggregate Annual Maximum Amount will be pro-rated for the time that the endorsement was in effect.

G. EXCLUSIONS

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The coverage under this endorsement will not apply to:

- 1. any amount assumed by the Named Member under contract or agreement, but this exclusion shall not apply to agreements described in the definition of Custody;
- 2. any expenses provided to the Eligible Inmate at no cost to the Named Member;
- 3. any expenses which are payable by, recoverable from, or attributable to, any medical or hospitalization benefit policy or insurance covering the Eligible Inmate, including but not limited to Medicare, Medicaid, a State sponsored health insurance plan, individual health coverage, or employer sponsored health benefits plan;

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4. expenses incurred while the endorsement is not in force with respect to the Eligible Inmate, or for a person not covered under the endorsement;
5. expenses for services or supplies billed above the Reasonable and Customary Charges for the area where provided;
6. Any amount used to satisfy deductibles or coinsurance amounts under any health plan;
7. expenses or costs resulting from noncontractual damages, court costs and legal fees, including but not limited to compensatory, exemplary and punitive damages, fines or statutory penalties;
8. Expenses of litigation and legal expenses and fees including legal expenses and fees incurred on behalf of any Eligible Inmate in obtaining medical treatment or expenses incurred in connection with a judgment or settlement arising out of Named Member's negligence in providing, arranging, or failing to provide or arrange a benefit to an Eligible Inmate;
9. Payments Named Member makes directly to the health care providers that the Third Party Administrator has determined not to be Eligible Expenses.
10. Expenses incurred after the termination of this endorsement.

H. ADMINISTRATION OF CLAIMS

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GIRMA shall undertake at all times to employ the services of a Third-Party Administrator, who shall:

1. supervise the administration and adjustment of all claims and verify the accuracy and computation of all claims; and
2. maintain accurate records of all claims payments.

The Named Member's Deductible, the Specific Lifetime Maximum Amount, and the Aggregate Annual Maximum Amount will be calculated and applied inclusive of processing fees payable to the Third-Party Administrator per its agreement with GIRMA.

I. CONDITIONS

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1. Claims and Proceedings Against Named Member

Unless the Named Member is entitled to coverage under the provisions of the Member Coverage Agreement exclusive of this endorsement, the Named Member shall be responsible for costs and expenses for the investigations, settlement and defenses of any claims made or suit brought or proceedings instituted against the Named Member.

2. Notice of Claim

The Named Member will give written notice of claim to GIRMA within 30 days of the date Named Member becomes aware of a claim that may be covered by this endorsement. Named Member's failure to furnish written notice within 30 days will not invalidate or reduce any claim if it was not reasonably possible to provide written notice within such time. However, written notice shall be furnished as soon as possible, but in no event later than one year after the date written notice is first required.

3. Proof of Loss

Written proof of loss shall be submitted within 60 days after the date of loss. Late proof will be accepted only if it is shown to have been furnished as soon as reasonably possible and within one year of the date of loss.

4. Payment of Claims

Amounts payable under this endorsement will be paid upon receipt and acceptance by GIRMA of all the required material. Required material shall include proof of loss and proof of payment for eligible expenses and any reasonably requested supporting documentation. GIRMA will have sole authority to pay or deny claims under this endorsement.

5. Parties To This Endorsement

Named Member and GIRMA are the only parties to this endorsement. GIRMA's sole liability under this Endorsement is to Named Member. This Endorsement does not create any right or legal relation between GIRMA and an Eligible Inmate.

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[Reserved.]

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CONTINGENT REVENUE INTERRUPTION ENDORSEMENT

The following is added as an Additional Coverage Agreement:

Notwithstanding anything to the contrary contained in the Coverage Agreement to which this Endorsement is attached, but subject to all exclusions contained in the Coverage Agreement, GIRMA will pay for losses resulting directly from necessary interruption of "Revenue" collected by or due the Member caused by direct physical damage or destruction to property within the territorial limits of the Named Member which is not owned or operated by the Named Member and which wholly or partially prevents the generation of revenue for the account of the Member arising out of an Occurrence.

In the event of such damage or destruction, GIRMA shall be liable, with limitations as indicated, if the following conditions are met:

1. The Total Revenue is reduced to less than 97.5% of the Members' anticipated revenue had no loss occurred as reflected in the Member Budget; and
2. GIRMA shall be liable for the actual loss sustained for only the length of time as would be required with exercise of due diligence and dispatch to rebuild, replace or repair the contributing property commencing with the date of damage to the contributing property, but not limited by the expiration date of this Coverage Document subject to a maximum period of 365 day from the date of loss.

LIMITS

Such loss recovery after deductible shall be limited to USD \$ per Occurrence.

DEDUCTIBLE

Each loss or series of losses arising out of one Occurrence shall be adjusted separately and from the aggregated amount of all such losses, 2.50% shall be deducted subject to a maximum deductible of \$50,000.

DEFINITION

"Revenue" means the amount of taxes, fees, and similar receipts less grants that supports the Member Budget as filed with GIRMA at the beginning of the Coverage Agreement Period that is derived from tangible physical property which if damaged or destroyed would result in a loss to the Member.

"Member Budget" means the Annual Operating Budget provided annually by the Member to GIRMA and approved by GIRMA.

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VACANT REAL PROPERTY ENDORSEMENT

This endorsement modifies coverage provided under the PROPERTY COVERAGE SECTION, Item I. COVERAGE SUMMARY, Section D. VALUATION 1. Real and Personal Property is deleted in its entirety and replaced with the following:

1. Real and Personal Property

Real and personal property coverage is provided on a replacement cost basis (meaning no deduction for depreciation) except real property that is vacant at the time of loss. Coverage for real property, whether intended for occupancy by owner or tenant, that is vacant or unoccupied for more than 60 consecutive days immediately before the loss is covered on an actual cash value basis.

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INFLATABLE AMUSEMENT DEVICE ENDORSEMENT

This endorsement modifies the MEMBER COVERAGE AGREEMENT as follows:

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The specific coverage excluded under exclusion 15 of Casualty Coverage Section I (General Liability and Law Enforcement Liability) is reinstated on a limited basis, subject to a limit of \$100,000 per Occurrence. Amounts paid on behalf of the Member under this Endorsement are chargeable against the applicable Deductible and Limits of Liability.

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CRISIS MANAGEMENT COVERAGE ENDORSEMENT

A. COVERAGE AGREEMENT

This endorsement modifies the terms of the GIRMA Member Coverage Agreement as follows:

GIRMA hereby agrees, subject to an annual aggregate limit of \$50,000 and subject to the definitions, conditions, and limitations hereof, to pay on behalf of the Named Member reasonable and necessary "Crisis Management Expenses" incurred for any "Crisis Event" happening during the Coverage Agreement Period and "Workplace Violence Counseling Expenses" for any "Workplace Violence Event" happening at any premises of the Named Member during the Coverage Agreement Period and incurred for the emotional counseling of any Member.

B. COVERAGE LIMITS

1. The coverage limit described above is in addition to the applicable coverage limits provided under the GENERAL COVERAGE DECLARATIONS, II. COVERAGE SUMMARY.

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2. The coverage aggregate limit described above is the most GIRMA will pay for the coverage to which this Endorsement applies for Crisis Events and Workplace Violence Events occurring during any one Coverage Agreement Period, regardless of the number of Members, "Crisis Events," or "Workplace Violence Events."

C. DEFINITIONS

The following definitions that apply to this endorsement replace any similar definitions in the Member Coverage Agreement.

1. CRISIS EVENT

"Crisis Event" means an emergency situation, which results in, or for which, or there is imminent risk of significant adverse news media coverage about the Named Member, and from which a covered claim for Money Damages under the MEMBER COVERAGE AGREEMENT may arise, including, but not limited to:

- a. Intentional acts, such as arson, a bombing, the taking of hostages, a mass shooting, or terrorism;
- b. A police shooting, other use of force event, or high-speed pursuit involving death or serious bodily harm to a suspect, member of the public, or employee of the Named Member;
- c. Collapse of a building, structure or equipment;
- d. An automobile, watercraft, or aircraft accident involving death or serious bodily harm to a member of the public or employee of the Named Member;
- e. Spread of food-borne illness; or
- f. An explosion.

All related acts committed by one or more individuals shall be considered one "Crisis Event."

2. CRISIS MANAGEMENT EXPENSES

"Crisis Management Expenses" means those expenses incurred for services provided by a "Crisis Management Firm." However, this shall not include compensation, fees, benefits, overhead, charges, or

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expenses of any Member, nor any expenses that are payable on the Named Member's behalf or reimbursable to the Named Member under any other valid and collectible insurance. This also shall not include legal fees and expenses incurred by the Named Member for legal advice or services sought in anticipation of, or upon actual receipt of, a claim alleging liability arising out of a "Crisis Event."

3. CRISIS MANAGEMENT FIRM

"Crisis Management Firm" means any independent qualified service provider hired by the Named Member that has been approved in advance, or consented to, by GIRMA. GIRMA's consent will not be unreasonably withheld.

4. WORKPLACE VIOLENCE EVENT

"Workplace Violence Event" means any intentional use of or threat to use deadly force by any person, with intent to cause harm, that results in bodily injury sustained by any Member or other person while on the premises of the Named Member.

5. WORKPLACE VIOLENCE COUNSELING EXPENSES

"Workplace Violence Counseling Expenses" means the cost of hiring an independent professional counseling firm to provide counseling services to any Member.

D. CONDITIONS

The following conditions applicable to this endorsement replace any similar conditions in the Coverage Agreement to the contrary:

1. The Member must notify GIRMA by telephone as soon as practicable, but no later than forty-eight (48) hours, of a "Crisis Event" or "Workplace Violence Event" that may result in "Crisis Management Expenses" and/or "Workplace Violence Counseling Expenses."
2. The Member must provide written notice, as soon as practicable, but no later than ninety (90) days after the "Crisis Event" or "Workplace Violence Event" began. To the extent possible, this written notice should include:
 - a. How, when, and where the event took place;
 - b. Names and addresses of affected individuals and witnesses; and
 - c. The nature and location of any injury or damage arising out of the event.
3. The coverage provided by this endorsement shall be secondary to the Named Member's employee assistance program or other employee benefit program that provides crisis intervention services.

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SOCIAL ENGINEERING FRAUD ENDORSEMENT

Deductible **\$2,500**

Annual Aggregate Limit **\$25,000**

The MEMBER COVERAGE AGREEMENT is amended as follows:

CRIME COVERAGE SECTION I. COVERAGE AGREEMENTS is amended to add the following:

E. SOCIAL ENGINEERING FRAUD

GIRMA agrees subject to the limitations, terms and conditions of the Coverage Agreement, to indemnify the Named Member for all loss caused by reason of Social Engineering Fraud occurring during the Coverage Agreement Period exceeding the per Occurrence deductible stated above. The liability of GIRMA under this Endorsement shall not exceed the annual aggregate limit stated above.

CRIME COVERAGE SECTION II. EXCLUSIONS Section A is deleted and replaced with the following:

- A. With respect solely to the Crime Coverage Section I.B. (p43), I.C. (p43), I.D. (p44) and I.E., coverage shall not apply:
1. to any fraudulent, dishonest, or criminal act committed by an Employee or leased worker of the Named Member, whether acting alone or in collusion with others;
 2. to forgery committed by one or more Employees as defined under Crime Coverage Section IV.A.1.
 3. accounting or arithmetical errors or omissions;
 4. to the giving or surrendering of property in exchange or purchase;
 5. to the Named Member, or anyone acting on the Named Member's express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property, except as provided under I.E. Social Engineering Fraud; or
 6. arising out of, based upon or attributable to any fraudulent, dishonest or criminal or malicious acts of any person or entity who had authorized access to the authentication information of a customer, client or vendor of the Named Member.

CRIME COVERAGE SECTION III. CONDITIONS is amended to add the following:

- D. With respect to Crime Section I.E. of the Coverage Agreement:
1. Coverage under I.E. Social Engineering Fraud shall apply only if the Member verifies the instruction to debit a Transfer Account by following a pre-arranged callback or other established procedural method to authenticate the validity of the request prior to action upon any transfer instruction.

CRIME COVERAGE SECTION DEFINITIONS is amended to add the following:

7. **FINANCIAL INSTITUTION**
The term "Financial Institution" wherever used herein means a banking, savings or thrift institution, or a stockbroker, mutual fund, liquid assets fund or similar investment institution.
8. **FUNDS**
The term "Funds" wherever used herein means a credit balance in a Transfer Account.
9. **SOCIAL ENGINEERING FRAUD**
The term "Social Engineering Fraud" wherever herein used means:
 - a. Fraudulent electronic, telegraphic, cable, teletype or telephone instructions issued to a Member directing such Member to debit a Transfer Account and to transfer, pay or deliver Funds from such Transfer Account through instructions which have been transmitted by someone purporting to be an authorized employee or outsourced provider of the Named Member, but were in fact fraudulently

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transmitted by someone who is proven not an authorized employee or outsourced provider of the Named Member without the Member's knowledge or consent.

- b. Fraudulent written instructions (other than those covered under B. Depositor's Forgery) issued to a Member directing such Member to debit a Transfer Account and to transfer, pay or deliver Funds from such Transfer Account by use of an electronic funds transfer system at specified intervals or under specified conditions which instructions have been transmitted by someone purporting to be an authorized employee or outsourced provider of the Named Member, but were in fact fraudulently transmitted by someone who is proven not an authorized employee or outsourced provider of the Named Member without the Member's knowledge or consent.
10. **TRANSFER ACCOUNT**
The term "Transfer Account" wherever used herein means an account maintained by the Named Member at a Financial Institution from which the Named Member can initiate the transfer, payment or delivery of Funds by means of electronics, telegraphic, cable, teletype, facsimile or telephone instructions communicated directly through any electronic funds transfer system or by means of written instructions (other than those covered under B. Depositor's Forgery) establishing the conditions under which such transfers are to be initiated by such Financial Institution through an electronic funds transfer system.

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ELECTRONIC DATA ENDORSEMENT

1. Electronic Data Exclusion

Notwithstanding any provision to the contrary within the Coverage Agreement or any endorsement thereto, it is understood and agreed as follows:

- a) The Coverage Agreement does not insure loss, damage, destruction, distortion, erasure, corruption or alteration of ELECTRONIC DATA from any cause whatsoever (including but not limited to COMPUTER VIRUS) or loss of use, reduction in functionality, cost, expense of whatsoever nature resulting therefrom, regardless of any other cause or event contributing concurrently or in any other sequence to the loss.

ELECTRONIC DATA means facts, concepts and information converted to a form useable for 5 communications, interpretation or processing by electronic and electromechanical data processing or electronically controlled equipment and includes programs, software and other coded instructions for the processing and manipulation of data or the direction and manipulation of such equipment.

COMPUTER VIRUS means a set of corrupting, harmful or otherwise unauthorized instructions or code including a set of maliciously introduced unauthorized instructions or code, programmatic or otherwise, that propagate themselves through a computer system or network of whatsoever nature. COMPUTER VIRUS includes but is not limited to Trojan Horses', 'worms' and 'time or logic bombs'.

- b) However, in the event that a peril listed below results from any of the matters described in paragraph a) above, this Coverage Agreement, subject to all its terms, conditions and exclusions, will cover physical damage occurring during the Coverage Agreement Period to ELECTRONIC DATA directly caused by such listed peril.

Listed Perils

Fire

Explosion

2. Electronic Data Processing Media Valuation

Notwithstanding any provision to the contrary within the Policy or any endorsement thereto, it is understood and agreed as follows:

Should electronic data processing media insured by this Policy suffer physical loss or damage insured by this Policy, then the basis of valuation shall be the cost to repair, replace or restore such media to the condition that existed immediately prior to such loss or damage, including the cost of reproducing any ELECTRONIC DATA contained thereon, providing such media is repaired, replaced or restored. Such cost of reproduction shall include all reasonable and necessary amounts, not to exceed USD 500,000 any one loss, incurred by the Assured in recreating, gathering and assembling such ELECTRONIC DATA. If the media is not repaired, replaced or restored the basis of valuation shall be the cost of the blank media. However, this Policy does not insure any amount pertaining to the value of such ELECTRONIC DATA to the Assured or any other party, even if such ELECTRONIC DATA cannot be recreated, gathered or assembled.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

TERRORISM AND SABOTAGE ENDORSEMENT

This endorsement modifies the MEMBER COVERAGE AGREEMENT as follows:

GENERAL COVERAGE EXCLUSIONS I. GENERAL COVERAGE EXCLUSIONS APPLICABLE TO THE ENTIRE COVERAGE AGREEMENT, p3, item C is deleted and replaced with the following:

C. WAR CLAUSE

This Coverage Agreement does not cover any loss, damage, liability or expense arising out of War, whether or not declared, or any act or condition incident to War. The term "War" includes, but is not limited to, invasion, acts of foreign enemies, hostilities or warlike operations, civil war, rebellion, revolution, insurrection, civil commotion assuming the proportions of or amounting to an uprising, military, or usurped power. The term "War" shall not include an Act of Terrorism or an Act of Sabotage.

For purpose of this Coverage Agreement, an "Act of Terrorism" means either a certified or non-certified act, including the use of force or violence, of any person or group(s) of persons, whether acting alone or on behalf of or in connection with any organization(s), committed for political, religious or ideological purposes including the intention to influence any government and/or put the public in fear for such purposes.

An Act of Terrorism shall also include any act which is certified by the United States Government by the United States Secretary of the Treasury, in consultation with the Secretary of Homeland Security and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Act of 2002, and as amended under the Terrorism Risk Insurance Program Reauthorization Act of 2019, and/or any act within Great Britain which is certified by Her Majesty's Treasury in accordance with the Reinsurance (Acts of Terrorism) Act of 1993, as amended.

For the purposes of this Coverage Agreement, an "Act of Sabotage" means a subversive act or series of such acts committed for political, religious or ideological purposes including the intention to influence any government and/or to put the public in fear for such purposes.

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GIRMA's liability for all covered losses arising out of or in any way connected with an Act of Terrorism shall be \$100,000,000 per Occurrence and Annual Aggregate shared by all Members.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

SCHEDULE OF AUTHORITIES, BOARDS AND COMMISSIONS

The following schedule provided by the Named Member includes any Authority, Board, or Commission of the Named Member for which the Named Member exercises direction and control. For purposes of this subsection of the General Coverage Declarations Section VII.D, "direction and control" shall exist when the following elements are all present:

1. the power of the Named Member, or members of its governing body, to appoint and remove (including by failure to reappoint) a majority of the directors;
2. provision of a significant portion of operational funding on an annual basis by the Named Member; and
3. service by Named Member as custodian or trustee for all monies and property, or the power to disapprove any proposed issue of revenue bonds, notes or other obligations, of the Authority, Board, or Commission, if any.

Name	GOE
Suwanee Downtown Development Authority	4,069,600.00

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

SOVEREIGN IMMUNITY PRESERVATION ENDORSEMENT

This endorsement modifies the MEMBER COVERAGE AGREEMENT as follows:

GENERAL COVERAGE EXCLUSIONS III. GENERAL COVERAGE EXCLUSIONS APPLICABLE TO THE CASUALTY COVERAGE SECTIONS (pp 6-7) is amended to add the following:

- O. any claim subject to the defense of sovereign, governmental, or municipal immunity (by which ever term used) under Georgia law in the absence of this Coverage Agreement. This Coverage Agreement, and any coverages associated with it, does not constitute, nor reflect an intent by the Named Member, to waive or forego any defense of sovereign, governmental, or municipal immunity available to the Named Member, whether based upon statute, common law, or otherwise, including but not limited to O.C.G.A. § 36-33-1. It is the intention of the Named Member to preserve immunity to the fullest extent permitted by law.

GENERAL COVERAGE CONDITIONS III. GENERAL CONDITIONS APPLICABLE TO THE CASUALTY COVERAGE SECTIONS (pp 12-13) is amended to add the following:

E. PRESERVATION OF SOVEREIGN IMMUNITY

The Named Member's purchase of coverage afforded by this Coverage Agreement is not a waiver, under O.C.G.A. § 36-33-1 or any amendments to that section, of any sovereign, governmental, or municipal immunity (by which ever term used) that would be available to any Member had the coverage afforded by this Coverage Agreement not been purchased.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

**INFORMATION PRIVACY AND SECURITY LIABILITY
AND EXPENSE ENDORSEMENT**

THIS ENDORSEMENT'S COVERAGE AGREEMENTS PROVIDE COVERAGE ON A CLAIMS MADE AND REPORTED BASIS AND APPLY ONLY TO CLAIMS FIRST MADE AGAINST THE MEMBER DURING THE COVERAGE AGREEMENT PERIOD OR THE OPTIONAL EXTENDED REPORTING PERIOD (IF APPLICABLE) AND REPORTED TO GIRMA IN ACCORDANCE WITH THE TERMS OF THE MEMBER COVERAGE AGREEMENT, AS MODIFIED BY THIS ENDORSEMENT. AMOUNTS INCURRED AS CLAIM EXPENSES UNDER THIS ENDORSEMENT WILL REDUCE AND MAY EXHAUST THE LIMIT OF LIABILITY.

COVERAGE AGREEMENTS

This endorsement modifies the Member Coverage Agreement as follows:

1. Breach Response

GIRMA hereby agrees, subject to the definitions, conditions, and limitations hereof, to indemnify the Member for Breach Response Costs incurred by the Member because of an actual or reasonably suspected Data Breach or Security Breach that the Member first discovers during the Coverage Agreement Period.

2. First Party Loss

GIRMA hereby agrees, subject to the definitions, conditions, and limitations hereof, to indemnify the Member for:

- a. Business Interruption Loss that the Member sustains as a result of a Security Breach that the Member first discovers during the Coverage Agreement Period.
- b. Cyber Extortion Loss that the Member incurs as a result of an Extortion Threat first made against the Member during the Coverage Agreement Period.
- c. Data Recovery Costs that the Member incurs as a direct result of a Security Breach that the Member first discovers during the Coverage Agreement Period.

3. Liability

GIRMA hereby agrees, subject to the definitions, conditions, and limitations hereof, to:

- a. to pay Damages and Claim Expenses, which the Member is legally obligated to pay because of any Claim first made against any Member during the Coverage Agreement Period for:
 1. a Data Breach;
 2. a Security Breach;
 3. the Named Member's failure to timely disclose a Data Breach or Security Breach;
 4. failure by the Member to comply with that part of a Privacy Policy that specifically:
 - (i) prohibits or restricts the Named Member's disclosure, sharing, or selling of Personally Identifiable Information;
 - (ii) requires the Named Member to provide an individual access to Personally Identifiable Information or to correct incomplete or inaccurate Personally Identifiable Information after a request is made; or
 - (iii) mandates procedures and requirements to prevent the loss of Personally Identifiable Information;

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

provided the Named Member has in force, at the time of such failure, a Privacy Policy that addresses those subsections above that are relevant to such Claim.

- b. to pay Penalties and Claims Expenses, which the Member is legally obligated to pay because of a Regulatory Proceeding first made against the Member during the Coverage Agreement Period for a Data Breach or a Security Breach.
- c. to indemnify the Named Member for PCI Fines, Expenses, and Costs which it is legally obligated to pay because of a Claim first made against any Member during the Coverage Agreement Period.
- d. to pay Damages and Claims Expenses, which the Member is legally obligated to pay because of any Claim first made against the Member during the Coverage Agreement Period for Media Liability.

B. DEDUCTIBLE

The Deductible listed in the Declarations III applies separately to each incident, event, or related incidents or events giving rise to a Claim or Loss.

C. LIMIT OF LIABILITY

- 1. The Combined Single Limit of Liability listed in Declarations II (the "Combined Single Limit"), less the applicable deductible amount, is the maximum amount GIRMA will pay for any Loss regardless of the number of Data Breaches, Security Breaches, Cyber Extortion Losses, Members, Claims, Regulatory Proceedings brought or individuals or entities making Claims or bringing suits or Regulatory Proceedings.
- 2. The following general aggregate limit of liability applies (the "Aggregate Limit"): GIRMA shall pay no more than the Combined Single Limit, less applicable deductible amounts, for all losses occurring during the Coverage Agreement Period.
- 3. GIRMA will not be obligated to pay any Loss, or to defend any Claim, after the Combined Single Limit or Aggregate Limit has been exhausted, or after the deposit of the remaining Combined Single Limit or Aggregate Limit in a court of competent jurisdiction.
- 4. The right and duty of GIRMA to defend ends when the Combined Single Limit or Aggregate Limit is exhausted in the payment of judgments or settlements, Damages, Claim Expenses, Breach Response Costs, Criminal Reward Funds, PCI Fines, Expenses, and Costs.
- 5. GIRMA's limit of liability for all covered Losses shall be \$10,000,000 Annual Aggregate shared by all Members.

D. DEFINITIONS**1. BREACH NOTICE LAW**

The term "Breach Notice Law" means any statute or regulation that requires notice to persons whose personal information was accessed or reasonably may have been accessed by an unauthorized person. Breach Notice Law also includes any statute or regulation requiring notice of a Data Breach to be provided to governmental or regulatory authorities.

2. BREACH RESPONSE COSTS

"Breach Response Costs" means the following reasonable and necessary fees and costs incurred by the Named Member with GIRMA's prior written consent in response to an actual or reasonably suspected Data Breach or Security Breach:

- b. for an attorney approved from GIRMA's Breach Response Panel to provide necessary legal advice to the Named Member to evaluate its obligations pursuant to Breach Notice Laws or a Merchant Services Agreement;
- c. for a computer security expert approved from GIRMA's Breach Response Panel to determine the existence, cause, and scope of an actual or reasonably suspected Data Breach, and if such Data Breach is actively in progress on the Named Member's Computer Systems, to assist in containing it;

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

- d. to notify those individuals whose Personally Identifiable Information was potentially impacted by a Data Breach;
- e. to provide up to one year a credit monitoring, identity monitoring, or other personal fraud or loss prevention solution, to be approved by GIRMA, to individuals whose Personally Identifiable Information was potentially impacted by a Data Breach; and
- f. public relations and crisis management costs directly related to mitigating harm to the Named Member which are approved in advance by GIRMA in its discretion.

Breach Response Costs will not include any internal salary or overhead expenses of the Named Member.

3. BUSINESS INTERRUPTION LOSS

"Business Interruption Loss" means:

- a. Income Loss; and
- b. Extra Expense;

actually sustained during the Period of Restoration as a result of the actual interruption of the Named Member's business operations caused by a Security Breach. Coverage for Business Interruption Loss will apply only after the Waiting Period has elapsed.

Business Interruption Loss will not include (i) loss arising out of any liability to any third party; (ii) legal costs or legal expenses; (iii) loss incurred as a result of unfavorable business conditions; (iv) loss of market or any other consequential loss; (v) Dependent Business Loss; or (iv) Data Recovery Costs.

4. CLAIM

"Claim" means:

- a. a written assertion of legal liability or demand for financial compensation received by any Member;
- b. with respect to coverage provided under Subsection A.3.b only, institution of a Regulatory Proceeding against any Member; and
- c. with respect to coverage provided under Subsection A.3.a only, a demand received by any Member to fulfill the Named Member's contractual obligation to provide notice of a Data Breach pursuant to a Breach Notice Law.

Multiple claims arising from the same or a series of related, repeated, or continuing acts, errors, omissions, or events will be considered a single Claim for purposes of this endorsement. All such Claims will be deemed to have been made at the time of the first such Claim.

5. CLAIMS EXPENSES

Claims Expenses means:

- a. all reasonable and necessary legal costs and expenses resulting from the investigation, defense, and appeal of a Claim, if incurred by GIRMA, or by the Member with the prior written consent of GIRMA; and
- b. the premium cost for appeal bonds for covered judgments or bonds to release property used to secure a legal obligation, if required in any Claim against a Member; provided GIRMA will have no obligation to appeal or to obtain bonds.

Claim Expenses will not include any salary, overhead, or other charges by the Insured for any time spent in cooperating in the defense and investigation of any Claim or circumstance that might lead to a Claim notified under this endorsement, or costs to comply with any regulatory orders, settlements, or judgments.

6. COMPUTER SYSTEMS

"Computer Systems" means computers, any software residing on such computers, and any associated systems or equipment:

- a. operated by and either owned by or leased to the Named Member; or

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

- b. with respect to coverage under Subsections A.1. and A.3., operated by a third party pursuant to a written contract with the Named Member and used for the purpose of providing hosted computer application services to the Named Member or for processing, maintaining, hosting, or storing the Named Member's electronic data.

7. COVERAGE AGREEMENT PERIOD

"Coverage Agreement Period" means the period of time between the inception date listed in the Declarations and the effective date of termination, expiration or cancellation of this endorsement and specifically excludes any Optional Extended Reporting Period or any prior policy period or renewal period.

8. CYBER EXTORTION LOSS

"Cyber Extortion Loss" means:

- a. any Extortion Payment that has been made by or on behalf of the Named Member with GIRMA's prior written consent to prevent or terminate an Extortion Threat; and
- b. reasonable and necessary expenses incurred by the Named Member with GIRMA's prior written consent to prevent or respond to and Extortion Threat.

9. DAMAGES

"Damages" means monetary judgment, award, or settlement, including any award of prejudgment or post-judgment interest, but Damages will not include:

- (i) future profits, restitution, disgorgement or unjust enrichment or profits by a Member, or the costs of complying with orders granting injunctive or equitable relief;
- (ii) return or offset of fees, charges, or commissions charged by or owed to a Member for goods or services already provided or contracted to be provided;
- (iii) taxes or loss of tax benefits;
- (iv) fines, sanctions, or penalties;
- (v) punitive or exemplary damages or any damages which are a multiple of compensatory damages, unless insurable by law in any applicable venue that most favors coverage for such punitive, exemplary, or multiple damages;
- (vi) liquidated damages, but only to the extent that such damages exceed the amount for which the Member would have been liable in the absence of such liquidated damages agreement;
- (vii) fines, costs, or other amounts a Member is responsible to pay under a Merchant Services Agreement; or
- (viii) any amounts for which the Member is not liable, or for which there is no legal record against the Member.

10. DATA

"Data" means any software or electronic data that exists in Computer Systems and that is subject to regular back-up procedures.

11. DATA BREACH

"Data Breach" means the theft, loss, or Unauthorized Disclosure of Personally Identifiable Information or Third Party Information that is in the care, custody or control of the Named Member or a third party for whose theft, loss, or Unauthorized Disclosure of Personally Identifiable Information or Third Party Information the Named Member is liable.

12. DATA RECOVERY COSTS

"Data Recovery Costs" means the reasonable and necessary costs incurred by the Named Member to regain access to, replace, or restore Data, or if Data cannot be reasonably be accessed, replaced or restored, then the reasonable and necessary costs incurred by the Named Member to reach this determination.

GEORGIA INTERLOCAL RISK MANAGEMENT AGENCY

COMBINED AUTOMOBILE, CRIME, LIABILITY AND PROPERTY COVERAGES

MEMBER COVERAGE AGREEMENT

Data Recovery Costs will not include: (i) the monetary value of profits, royalties, or lost market share related to Data, including but not limited to trade secret or other proprietary information or any other amount pertaining to the value of Data; (ii) legal costs or legal expenses; (iii) loss arising out of any liability to any third party; or (iv) Cyber Extortion Loss.

13. DEPENDENT BUSINESS

"Dependent Business" means any entity that is not a part of the Named Member but which provides necessary products or services to the Named Member pursuant to a written contract.

14. DEPENDENT BUSINESS LOSS

"Dependent Business Loss" means:

- a. Income Loss; and
- b. Extra Expense;

actually sustained during the Period of Restoration as a result of an actual interruption of the Named Member's business operations caused by a Dependent Security Breach. Coverage for Dependent Business Loss will apply only after the Waiting Period has elapsed.

Dependent Business Loss will not include (i) loss arising out of any liability to any third party; (ii) legal costs or legal expenses; (iii) loss incurred as a result of unfavorable business conditions; (iv) loss of market or any other consequential loss; (v) Business Interruption Loss; or (vi) Data Recovery Costs.

15. DEPENDENT SECURITY BREACH

"Dependent Security Breach" means a failure of computer security to prevent a breach of computer systems operated by a Dependent Business.

16. DIGITAL CURRENCY

"Digital Currency" means a type of digital currency that:

- a. requires cryptographic techniques to regulate the generation of units of currency and verify the transfer thereof;
- b. is both stored and transferred electronically; and
- c. operates independently of a central bank or other central authority.

17. EXTORTION PAYMENT

"Extortion Payment" means Money, Digital Currency, marketable goods or services demanded to prevent or terminate an Extortion Threat.

18. EXTORTION THREAT

Extortion Threat means a threat to:

- a. alter, destroy, damage, delete or corrupt Data;
- b. perpetrate the Unauthorized Access or Use of Computer Systems;
- c. prevent access to Computer Systems or Data;
- d. steal, misuse or publicly disclose Data, Personally Identifiable Information or Third Party Information;
- e. introduce malicious code into Computer Systems or to third party computer systems from Computer Systems; or

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MEMBER COVERAGE AGREEMENT

f. interrupt or suspend Computer Systems;

unless an Extortion Payment is received from or on behalf of the Named Member.

19. EXTRA EXPENSE

"Extra Expense" means reasonable and necessary expenses incurred by the Named Member during the Period of Restoration to minimize, reduce or avoid Income Loss, over and above those expenses the Named Member would have incurred had no Security Breach, or Dependent Security Breach occurred.

20. FINANCIAL INSTITUTION

"Financial Institution" means a bank, credit union, saving and loan association, trust company or other licensed financial service, securities broker-dealer, mutual fund, or liquid assets fund or similar investment company where the Named Member maintains a bank account.

21. FORENSIC SERVICES

"Forensic Expenses" means reasonable and necessary expenses incurred by the Named Member to investigate the source or cause of a Business Interruption Loss.

22. FRAUDULENT INSTRUCTION

"Fraudulent Instruction" means the transfer, payment or delivery of Money or Securities by a Member as a result of fraudulent written, electronic, telegraphic, cable, teletype or telephone instructions provided by a third party, that is intended to mislead an Insured through the misrepresentation of a material fact which is relied upon in good faith by such Insured.

23. FUNDS TRANSFER FRAUD

"Funds Transfer Fraud" means the loss of Money or Securities contained in a Transfer Account at a Financial Institution resulting from fraudulent written, electronic, telegraphic, cable, teletype or telephone instructions by a third party issued to a Financial Institution directing such institution to transfer, pay or deliver Money or Securities from any account maintained by the Named Member at such institution, without the Named Member's knowledge or consent.

24. INCOME LOSS

"Income Loss" means an amount equal to:

- a. net profit or loss before interest and tax that the Named Member would have earned or incurred; and
- b. continuing normal operating expenses incurred by the Named Member (including payroll), but only to the extent that such operating expenses must necessarily continue during the Period of Restoration.

25. INDIVIDUAL CONTRACTOR

"Individual Contractor" means any natural person who performs labor or service for the Named Member pursuant to a written contract or agreement with the Named Member. The status of an individual as an Individual Contractor will be determined as of the date of an alleged act, error or omission by any such Individual Contractor.

26. LOSS

"Loss" means Breach Response Costs, Business Interruption Loss, Claims Expenses, Criminal Reward Funds, Cyber Extortion Loss, Damages, Data Recovery Costs, Dependent Business Loss, PCI Fines, Expenses and Costs, Penalties, and any other amounts covered under this endorsement.

Multiple Losses arising from the same or a series of related, repeated or continuing acts, errors, omissions or events will be considered a single Loss for the purposes of this endorsement.

With respect to Subsections A.1. and A.2., all acts, errors, omissions or events (or series of related, repeated or continuing acts, errors, omissions or events) giving rise to a Loss or multiple Losses in connection with such Subsections will be deemed to have been discovered at the time the first such act, error, omission or event is discovered.

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27. MEDIA LIABILITY

"Media Liability" means one or more of the following acts committed by, or on behalf of, the Named Member in the course of creating, displaying, broadcasting, disseminating or releasing Media Material to the public:

- a. defamation, libel, slander, product disparagement, trade libel, infliction of emotional distress, outrage, outrageous conduct, or other tort related to disparagement or harm to the reputation or character of any person or organization;
- b. a violation of the rights of privacy of an individual, including false light, intrusion upon seclusion and public disclosure of private facts;
- c. invasion or interference with an individual's right of publicity, including commercial appropriation of name, persona, voice or likeness;
- d. plagiarism, piracy, or misappropriation of ideas under implied contract;
- e. infringement of copyright;
- f. infringement of domain name, trademark, trade name, trade dress, logo, title, metatag, or slogan, service mark or service name;
- g. improper deep-linking or framing;
- h. false arrest, detention or imprisonment or invasion of or interference with any right to private occupancy, including trespass, wrongful entry or eviction; or
- i. unfair competition, if alleged in conjunction with any of the acts listed in parts e. or f. above.

28. MEDIA MATERIAL

"Media Material" means any information, including words, sounds, numbers, images or graphics, but will not include computer software or the actual goods, products or services described, illustrated or displayed in such Media Material.

29. MERCHANT SERVICES AGREEMENT

"Merchant Services Agreement" means any agreement between a Member and a financial institution, credit/debit card company, credit/debit card processor or independent service operator enabling an Insured to accept credit card, debit card, prepaid card or other payment cards for payments or donations.

30. MONEY

"Money" means a medium of exchange in current use authorized or adopted by a domestic or foreign government as a part of its currency.

31. PCI FINES, EXPENSES AND COSTS

"PCI Fines, Expenses and Costs" means the monetary amount owed by the Named member under the terms of a Merchant Services Agreement as a direct result of a suspected Data Breach. With the prior consent of the GIRMA, PCI Fines, Expenses and Costs includes reasonable and necessary legal costs and expenses incurred by the Named Member to appeal or negotiate an assessment of such monetary amount. PCI Fines, Expenses and Costs will not include any charge backs, interchange fees, discount fees or other fees unrelated to a Data Breach.

32. PENALTIES

"Penalties" means:

- a. any monetary civil fine or penalty payable to a governmental entity that was imposed in a Regulatory Proceeding; and

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- b. amounts which the Insured is legally obligated to deposit in a fund as equitable relief for the payment of consumer claims due to an adverse judgment or settlement of a Regulatory Proceeding (including such amounts required to be paid into a "Consumer Redress Fund");

but will not include: (a) costs to remediate or improve Computer Systems; (b) costs to establish, implement, maintain, improve or remediate security or privacy practices, procedures, programs or policies; (c) audit, assessment, compliance or reporting costs; or (d) costs to protect the confidentiality, integrity and/or security of Personally Identifiable Information or other information.

The insurability of Penalties will be in accordance with the law in the applicable venue that most favors coverage for such Penalties.

33. PERIOD OF RESTORATION

"Period of Restoration" means the 180-day period of time that begins upon the actual and necessary interruption of the Named Member's business operations.

34. PERSONALLY IDENTIFIABLE INFORMATION

"Personally Identifiable Information" means:

- a. any information concerning an individual that is defined as personal information under any Breach Notice Law; and
- b. an individual's drivers license or state identification number, social security number, unpublished telephone number, and credit, debit or other financial account numbers in combination with associated security codes, access codes, passwords or PINs; if such information allows an individual to be uniquely and reliably identified or contacted or allows access to the individual's financial account or medical record information.

but will not include information that is lawfully made available to the general public.

35. PRIVACY POLICY

"Privacy Policy" means the Named Member's public declaration of its policy for collection, use, disclosure, sharing, dissemination and correction or supplementation of, and access to Personally Identifiable Information.

36. REGULATORY PROCEEDING

"Regulatory Proceeding" means a request for information, civil investigative demand, or civil proceeding brought by or on behalf of any federal, state, local or foreign governmental entity in such entity's regulatory or official capacity.

37. SECURITIES

"Securities" means negotiable and non-negotiable instruments or contracts representing either Money or tangible property that has intrinsic value.

38. SECURITY BREACH

"Security Breach" means a failure of computer security to prevent:

- a. Unauthorized Access or Use of Computer Systems, including Unauthorized Access or Use resulting from the theft of a password from a Computer System or from any Insured;
- b. a denial of service attack affecting Computer Systems;
- c. with respect to coverage under the Liability coverage agreements, a denial of service attack affecting computer systems that are not owned, operated or controlled by an Insured; or

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d. infection of Computer Systems by malicious code or transmission of malicious code from Computer Systems.

39. TELEPHONE FRAUD

"Telephone Fraud" means the act of a third party gaining access to and using the Named Member's telephone system in an unauthorized manner.

40. THIRD PARTY INFORMATION

"Third Party Information" means any trade secret, data, design, interpretation, forecast, formula, method, practice, credit or debit card magnetic strip information, process, record, report or other item of information of a third party not insured under this Policy which is not available to the general public.

41. TRANSFER ACCOUNT

"Transfer Account" means an account maintained by the Insured Organization at a Financial Institution from which the Insured Organization can initiate the transfer, payment or delivery of Money or Securities.

42. UNAUTHORIZED ACCESS OR USE

"Unauthorized Access or Use" means the gaining of access to or use of Computer Systems by an unauthorized person(s) or the use of Computer Systems in an unauthorized manner.

43. UNAUTHORIZED DISCLOSURE

"Unauthorized Disclosure" means the disclosure of (including disclosure resulting from phishing) or access to information in a manner that is not authorized by the Named Member.

44. WAITING PERIOD

"Waiting Period" means the period of time that begins upon the actual interruption of the Insured Organization's business operations caused by a Security Breach, Dependent Security Breach and ends after the elapse of the number of hours listed as the Waiting Period in the Declarations.

E. CONDITIONS

1. NOTICE OF CLAIM OR LOSS

The Member shall, as a condition of coverage, notify GIRMA of any Claim as soon as practicable, but in no event later than 60 days after the end of the Coverage Agreement Period.

With respect to Breach Response Costs, the Member must notify the GIRMA of any actual or reasonably suspected Data Breach or Security Breach as soon as practicable after discovery by the Member, but in no event later than the later of: (i) 60 days after the end of the Coverage Agreement Period; or (ii) the end of the Optional Extended Reporting Period. Notice of an actual or reasonably suspected Data Breach or Security Breach in conformance with this paragraph will also constitute notice of a circumstance that could reasonably be the basis for a Claim.

With respect to Cyber Extortion Loss, the Named Member must notify the GIRMA as soon as practicable after discovery of an Extortion Threat but no later than 60 days after the end of the Coverage Agreement Period. The Named Member must obtain GIRMA's consent prior to incurring Cyber Extortion Loss.

With respect to Data Recovery Costs, Business Interruption Loss and Dependent Business Loss the Named Member must notify the GIRMA as soon as practicable after discovery of the circumstance, incident or event giving rise to such loss. The Named Member will provide the GIRMA a proof of Data Recovery Costs. All loss described in this paragraph must be reported, and all proofs of loss must be provided, to GIRMA no later than 6 months after the end of the Coverage Agreement Period.

Any Claim arising out of a Loss that is covered under the Breach Response, or First Party Loss or coverage agreements and that is reported to GIRMA in conformance with the foregoing will be considered to have been made during the Coverage Agreement Period.

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F. EXCLUSIONS

The coverage under this endorsement will not apply to any Loss:

1. which is covered under any other Section or Subsection of, or endorsement to, this Coverage Agreement.
2. arising out of physical injury, sickness, disease or death of any person, including any mental anguish or emotional distress resulting from such physical injury, sickness, disease, or death;
3. arising out of physical injury to or destruction of any tangible property, including the loss of use thereof; but electronic data will not be considered tangible property, nor shall this exclusion apply to the loss of use of electronic equipment caused by the reprogramming of the software (including the firmware) of such electronic equipment rendering it useless for its intended purpose (i.e., bricking);
4. arising out of, or resulting from any contractual liability or obligation, or arising out of or resulting from breach of contract or agreement either oral or written, provided, however, that this exclusion shall not apply:
 - a. to the extent the Member would have been liable in the absence of such contract or agreement; or
 - b. to amounts payable as PCI Fines, Expenses and Costs.
5. arising out of any actual or alleged false, deceptive, or unfair trade practices, antitrust violation, restraint of trade, unfair competition (except as provided in the Media Liability coverage agreement), or false or deceptive or misleading advertising or violation of the Sherman Antitrust Act, the Clayton Act, or the Robinson-Patman Act; but this exclusion will not apply to:
 - a. the Breach Response coverage agreement; or
 - b. coverage for a Data Breach or Security Breach;
6. arising out of the unlawful collection or retention of Personally Identifiable Information or other personal information by or on behalf of the Named Member; but this exclusion will not apply to Claims Expenses incurred in defending the Member against allegations of unlawful collection of Personally Identifiable Information;
7. arising out of the distribution of unsolicited email, text messages, direct mail, facsimiles, or other communications, wiretapping, audio or video recording, or telemarketing, if such distribution, wire tapping, recording or telemarketing is done by or on behalf of the Named Member; but this exclusion will not apply to Claims Expenses incurred in defending the Member against allegations of unlawful audio or video recording;
8. arising out of any act, error, omission, incident, or event committed or occurring prior to the inception date of the Member Coverage Agreement if any Member knew or could have reasonably foreseen that such act, error or omission, incident, or event might be expected to be the basis of a Claim or Loss;
9. arising out of any Claim, Loss, incident, or circumstance for which notice has been provided under any prior policy of which the Member Coverage Agreement or this endorsement is a renewal or replacement;
10. arising out of any:
 - a. any actual or alleged violation of the Organized Crime Control Act of 1970 (commonly known as Racketeer Influenced and Corrupt Organizations Act or RICO), as amended;
 - b. any actual or alleged acts, errors, or omissions related to any of the Named Member's pension, healthcare, welfare, profit sharing, mutual or investment plans, funds, or trusts;
 - c. any employer-employee relations, policies, practices, acts, or omissions, or any actual or alleged refusal to employ any person, or misconduct with respect to employees; or
 - d. any actual or alleged discrimination;

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but this exclusion will not apply to coverage under the Breach Response coverage agreement or parts a.1., a.2., or a.3. of the Liability coverage agreement that results from a Data Breach; provided no Member participated or colluded in such Data Breach;

11. arising out of the ownership, sale, or purchase of, or the offer to sell or purchase stock or other securities;
12. arising out of an actual or alleged violation of a securities law or regulation;
13. arising out of any criminal, dishonest, fraudulent, or malicious act or omission, or intentional or knowing violation of the law, if committed by a Member, or by others if the Member colluded or participated in any such conduct or activity; but this exclusion will not apply to:
 - a. Claims Expenses incurred in defending any Claim alleging the foregoing until there is a final, non-appealable adjudication establishing such conduct; or
 - b. If such Member did not personally commit, participate in, or know about any act, error, omission, incident, or event giving rise to such Claim or loss;
14. arising out of infringement, misuse, or abuse of patent or patent rights;
15. arising out of infringement of copyright arising from or related to software code or software products other than infringement resulting from a theft or Unauthorized Access or Use of software code by a person who is not past, present, or future employee, officer, or independent contractor of the Named Member;
16. arising out of use or misappropriation of any ideas, trade secrets, or Third-Party Information by, or on behalf of the Named Member;
17. arising out of a Claim brought by or on behalf of any state, federal, local, or foreign governmental entity, in such entity's regulatory or official capacity; but this exclusion will not apply to the part b. of the Liability coverage agreement;
18. in connection with a Claim made by or on behalf of any Member;
19. arising out of:
 - a. any trading losses, trading liabilities, or change in value of accounts;
 - b. any loss, transfer or theft of monies, securities, or tangible property of a Member or others in the care, custody, or control of the Named Member;
 - c. the monetary value of any transactions or electronic fund transfers by or electronic fund transfers by or on behalf of a Member which is lost, diminished, or damaged during transfer from, into or between accounts; or
 - d. the value of coupons, price discounts, prizes, awards, or any other valuable consideration given in excess of the total contracted or expected amount;
20. with respect to part d. of the Liability coverage agreement, arising out of:
 - a. any contractual liability or obligation; but this exclusion will not apply to a Claim for misappropriation of ideas under implied contract;
 - b. the actual or alleged obligation to make licensing fee or royalty payments;
 - c. any costs or expenses incurred or to be incurred by a Member or others for the reprint, reposting, recall, removal or disposal of any Media Material or any other information, content, or media, including any media or products containing such Media Material, information, content, or media;
 - d. any Claim brought by or on behalf of any intellectual property licensing bodies or organizations;

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- e. the actual or alleged inaccurate, inadequate, or incomplete description of the price of goods, products, or services, cost guarantees, cost representations, contract price estimate, or the failure of any goods or services to conform with any represented quality or performance;
 - f. any actual or alleged gambling, contest, lottery, promotional game or other game of chance; or
 - g. any Claim made by or on behalf of any independent contractor, joint venturer, or venture partner arising out of or resulting from disputes over ownership of rights in Media Material or services provided by such independent contractor, joint venturer, or venture partner;
21. with respect to the First Party Loss coverage agreement, arising out of:
- a. seizure, nationalization, confiscation, or destruction of property or data by order of any governmental or public authority;
 - b. costs or expenses incurred by a Member to identify or remediate software program errors or vulnerabilities or update, replace, restore, assemble, reproduce, recollect or enhance data or Computer Systems to a level beyond that which existed prior to a Security Breach, Dependent Security Breach, Dependent Failure or Extortion Threat;
 - c. failure or malfunction of satellites or of power, utility, mechanical, or telecommunications (including internet) infrastructure or services that are not under the Named Member's direct operational control; or
 - d. fire, flood, earthquake, volcanic eruption, explosion, lightning, wind, hail, tidal wave, landslide, act of God, or other physical event.
22. arising out of the failure to adequately supply electrical power or fuel or arising out of the interruption of the electrical power supply or fuel supply.
23. arising out of the failure or inability to supply or provide an adequate supply of water arising out of the interruption of the water supply; but this exclusion shall not apply if:
- a. such failure arose out of a Data Breach or Security Breach commencing on or after the Retroactive Date, if any, shown in the Declarations and before the end of the Coverage Agreement Period; and
 - b. the combined capacity of the Named Member's installed production facilities and contractual supply arrangements is equal to or greater than one hundred percent (100%) of the water demand.
24. arising out of, or in connect with, any Loss resulting from:
- a. Fraudulent Instruction;
 - b. Funds Transfer Fraud; or
 - c. Telephone Fraud;
- that the Member first discovers during the Coverage Agreement Period.

G. OPTIONAL EXTENDED REPORTING PERIOD

- 1. Upon non-renewal or cancellation of the Member Coverage Agreement for any reason except the non-payment of contribution, the Named Member will have the right to purchase, for payment of an additional contribution of one hundred fifty percent (150%) of the full annual contribution for the coverage provided under this endorsement, an Optional Extended Reporting Period of one (1) year. Coverage provided by such Optional Extended Reporting Period will only apply to Claims first made against any Member during the Optional Extended Reporting Period and reported to GIRMA during the Optional Extended Reporting Period and arising out of any act, error, or omission committed before the end of the Coverage Agreement Period.
- 2. In order for the Named Member to invoke the Optional Extended Reporting Period option, the payment of the additional contribution for the Optional Extended Reporting Period must be paid to GIRMA within 30 days of the termination of the Member Coverage Agreement.

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3. The purchase of the Optional Extended Reporting Period will in no way increase the Policy Aggregate Limit of Liability or any sublimit of liability. At the commencement of the Optional Extended Reporting Period, the entire contribution shall be deemed earned, and in the event the Named Member terminates the Optional Extended Reporting Period for any reason prior to its natural expiration, GIRMA will not be liable to return any contribution paid for the Optional Extended Reporting Period.
4. The Optional Extended Reporting Period does not reinstate or increase the limits of liability described in Section C.

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**ENDORSEMENT TO LIMIT COVERAGE
FOR CLAIMS ARISING FROM FACTS BEFORE INCEPTION**

NAMED MEMBER: City of Suwanee

Agreement No: SU3

Agreement Period: 5/1/2023–5/1/2024

This endorsement modifies the MEMBER COVERAGE AGREEMENT as follows:

GENERAL COVERAGE EXCLUSIONS APPLICABLE TO THE CASUALTY COVERAGE SECTIONS (pp 30-38), p. 5-6, is amended by adding the following:

- L. Any claim seeking Money Damages for Personal Injury arising out of or in any way connected to an Occurrence or Wrongful Act having a factual basis, as alleged, which happens in whole or in part prior to the inception of the Coverage Agreement. (Examples: 1. Claim for hostile work environment claim alleging facts prior to inception. 2. Claim for malicious prosecution where initiation of prosecution or arrest, as the case may be, is alleged to happen prior to inception.)